

# DAILY REPORT

## Asia & Pacific

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DEFENSE AGENCY CHIEF POSTPONES PRC VISIT

OW170237 Tokyo KYODO in English 0233 GMT 17 Mar 87

[Text] Tokyo, March 17 KYODO -- Defense Agency Director General Yuko Kurihara said Tuesday he will postpone a visit to China tentatively set for early May due to stalled Diet deliberations on the fiscal 1987 state budget. "I will reconsider (a China visit) sometime after the current Diet session is over," Kurihara told reporters.

Kurihara has been invited by the Chinese Government to visit Beijing, and would be the first Japanese cabinet minister in charge of the agency to do so.

MITI ASKED FOR RESULTS ON U.S. CHIP ACCORD

OW170557 Tokyo KYODO in English 0551 GMT 17 Mar 87

[Text] Tokyo, March 17 KYODO -- Prime Minister Yasuhiro Nakasone Tuesday instructed International Trade and Industry Minister Hajime Tamura to show concrete results from the six-month-old Japan-U.S. agreement on semiconductor trade to soften U.S. criticism against Japan's alleged violation of the accord, government officials said. The instruction came after the U.S. Senate Finance Committee overwhelmingly adopted a resolution, calling on President Ronald Reagan to take punitive action against Japan for its alleged failure to honor the bilateral government.

Yukiharu Kodama, director general of MITI's Machinery and Information Industries Bureau, told reporters that Tamura will ask Japanese computer chip users to increase their purchases of the U.S.-made electronic device at an early date.

Following a 10 percent production cut in the first quarter of 1987, Kodama said MITI will announce shortly its administrative guideline for curbing microchip production in the upcoming April-June period, in an effort to further raise prices of semiconductor products in both domestic and third country markets. "Japanese-made microchips are disappearing rapidly in third countries in Asia and Europe as a result of MITI's guidance. But American and South Korean semiconductor devices have begun to fill the vacuum, created by dwindling Japanese products," Kodama said. He also said, "despite an excessive supply of semiconductors in the Japanese market, U.S. microchip makers are likely to expand their share steadily, thanks to the strong yen."

HATA, NAKAGAWA TO ATTEND GATT MEETING 22-24 MAR

OW170441 Tokyo KYODO in English 0337 GMT 17 Mar 87

[Text] Tokyo, March 17 KYODO -- The government decided Tuesday to send Tsutomu Hata, former minister of agriculture, forestry and fisheries, and Hidenao Nakagawa, vice minister for international trade and industry, to an international trade conference to be held in Taupo, New Zealand March 22-24, officials said. The meeting, proposed by then U.S. trade representative William Brock in 1984, is a ministerial-level conference organized mainly by major member countries in the General Agreement on Tariffs and Trade (GATT).



Representatives from Japan and 11 other advanced nations, the European Community, and 12 major developing countries, as well as GATT officials, will discuss international trade with the stress on how to promote the new round of multilateral trade negotiations, known as the Uruguay round, the officials said. The conference is the fifth in a series.

#### EC AGAIN URGES JAPAN TO INCREASE IMPORTS

OW170528 Tokyo KYODO in English 0450 GMT 17 Mar 87

[Text] Brussels, March 16 KYODO -- The European Community (EC) Monday renewed its call for Japan to act as soon as possible to import more industrial and processed agricultural products to help stop the widening trade imbalance. The statement was adopted at an EC Council of Foreign Ministers meeting in Brussels focusing on the so-called "Japan problem." It instructed the EC commission to start sectoral talks with Japan on further imports of dairy products, cosmetics and on the prevention of marketing fake name brand items.

Japan and the 12-nation common market are now negotiating on the issue of Japan's surging exports of autos, medical equipment and semiconductors.

An appeal has been filed with the General Agreement on Tariffs and Trade (GATT) which seeks a change in Japan's present liquor tax system to facilitate greater imports of whiskey, wine and other alcoholic beverages. The ministers also repeated their call on Japan to remove its import barriers on leather goods and to provide more opportunities to foreign firms wishing to share in the construction of the 1 trillion yen Kansai Airport in western Japan.

#### JAPAN, ARGENTINA TO HOLD COOPERATION TALKS

OW161039 Tokyo KYODO in English 1027 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- Japan and Argentina will hold their first bilateral conference to promote long-term cooperative relations March 30-31 in Buenos Aires, the Foreign Ministry said Monday. The conference, popularly called a sage's meeting, was agreed upon in July last year in talks between Prime Minister Yasuhiro Nakasone and Argentine President Raul Ricardo Alfonsin in Tokyo.

Five representatives from each country, including former Japanese Foreign Minister Saburo Okita and Argentine Senator Fernando de la Rúa, will attend the meeting. They will discuss ways to promote long-term bilateral relations in economic, cultural and other fields.

A second meeting will be held, possibly in July in Tokyo, to begin compilation of a report to be completed in November and presented to the governments of both nations, the ministry said.

#### BUSINESS COUNCIL URGES SALES TAX DROPPED

OW161141 Tokyo KYODO in English 1102 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- The New Business Council, a group of 228 high-tech and venture firms, called on the government Monday to drop a 5 percent sales tax plan. The council decided to make the request to Prime Minister Yasuhiro Nakasone's cabinet during a special general meeting, council chairman Tadahiro Sekimoto said at a news conference.

Sekimoto, president of NEC Corp., a leading Japanese electronics company, said after the special meeting that the government should scrap the proposal and come up with a fresh tax plan which is understood by a majority of the Japanese people. He blasted the present sales tax proposal as being unclear in terms of government and ministry ordinances and to the Japanese public.

During the special session, the council decided to create a section to help strengthen operations of its member companies and hold an international fair as part of its fiscal 1987 activities. Established in September 1985 with the backing of the Ministry of International Trade and Industry (MITI), the New Business Council named five new vice chairmen, including former Vice MITI Minister Keiichi Konaga and Daiwa Securities Co. President Sadakane Doi.

#### SALES TAX REVISION TO PASS BUDGET FAVORED

OW161137 Tokyo KYODO in English 1123 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- Vice Prime Minister Shin Kanemaru Monday afternoon indicated to chief Cabinet Secretary Masaharu Gotoda that something must be done about the proposed sales tax which is the biggest obstacle hampering the passage of the fiscal 1987 budget through the Diet (parliament).

Exchanging views with Gotoda about the knotty 5 percent sales tax issue, Kanemaru questioned the appropriateness of the current government's attitude of perseverance and told him that "we must think what to do at what stage."

Kanemaru did not elaborate on detailed steps to be taken. However, his statement was interpreted by observers as suggesting revision of the proposed sales tax. In his meeting with Gotoda, Kanemaru said that there is still time before the April 12 unified local elections to muster wisdom to counter the current situation.

Gotoda avoided making an instant reply, saying "let me think it over." Gotoda, at the press conference in the evening reiterated his stand of not thinking of revision of the proposed sales tax.

Kanemaru, who has so far stressed the need to give top priority to the passage of the fiscal 1987 budget, took a new tack expressing concern about a serious delay in the passage of the budget. So far budget passage has been held up by conflict between the ruling Liberal Democratic Party (LDP) and opposition parties over inclusion of a sales tax plan in the budget.

The LDP is hoping the budget will pass the house of representatives at the earliest possible date and then have the sales tax bill debated in full. Opposition parties, however, are strongly opposed to the passage through the lower house of the fiscal 1987 budget which presupposes the introduction of the proposed five percent sales tax.

#### MITI OFFICIAL CALLS FOR POSITIVE FISCAL SPENDING

OW161157 Tokyo KYODO in English 1151 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- A senior official of the Ministry of International Trade and Industry (MITI) Monday called for positive fiscal spending to reflate the Japanese economy, dampened by the yen's sharp appreciation against the dollar.

The official, who declined to be identified, said that in view of the economic situation both in Japan and abroad, the government's new economy-stimulating package, now under study, should envisage projects totaling about 5 trillion yen.

The problem is how much the government can contribute from the national treasury, the official said.

The government has let it be known that the new package will be announced after parliamentary approval of its budget for fiscal 1987, which will start next month.

The official said Japan is also called upon internationally to take early measures to reinvigorate its economy just as West Germany is trying to revitalize its economy through various measures, including a tax cut.

#### FINANCE MINISTRY TO PREPARE PROVISIONAL BUDGET

OW161301 Tokyo KYODO in English 1256 GMT 16 Mar 87

[Text] Tokyo, March 16 KYODO -- The Finance Ministry will prepare a provisional budget to cover the first 50 days of fiscal 1987 starting on April 1, including massive appropriations for public works aimed at stimulating the Japanese economy. A senior ministry official, who spoke on condition of anonymity, said Monday the stopgap budget will be prepared "in keeping with the same concept that will underlie the government's work on a new comprehensive economic package" to be announced after the full budget for fiscal 1987 obtains parliamentary approval.

The package is to contain additional measures for stimulating the Japanese economy suffering from the adverse impact of the strong yen.

A provisional budget for as long as 50 days has become necessary because of the certainty that the full budget will not pass the Diet before the end of the current fiscal year owing to an opposition boycott.

The ministry wants to earmark about 1.8 trillion yen for public works spending in the stopgap budget. The figure represents nearly 30 percent of public works appropriations listed in the full budget, the official said. Usually, a provisional budget provides for only day-to-day mandatory expenses. The official said the ministry wants to include such huge appropriations for public works in the provisional budget in view of Japan's promise to expand domestic demand, which was made at a meeting of finance ministers and central bankers of the Group of Seven (G-7) industrialized nations minus Italy, held in Paris in February. Moreover, he said, the ministry is concerned about the worsening of the employment situation in Japan under the deflationary impact of the yen's appreciation.

In another development Monday, Prime Minister Yasuhiro Nakasone emphasized the necessity of taking drastic measures to stimulate the economy after parliamentary passage of the full budget, government officials said. Speaking at a top-level meeting between the government and the ruling Liberal-Democratic Party, he said such measures should be based on new ideas, departing from what he called "bureaucratic thinking." The Japanese economy is more depressed this year than last year, he was quoted as saying.



MITI HEAD SCORES U.S. ON FUJITSU BUYOUT

OW170433 Tokyo KYODO in English 0415 GMT 17 Mar 87

[Text] Tokyo, March 17 KYODO -- Hajime Tamura, International Trade and Industry Minister, criticized the U.S. Government Tuesday for helping to block the planned acquisition of Fairchild Semiconductor Corp. by Fujitsu Ltd. of Japan. At a press conference following a cabinet meeting he said, "I feel that it is wrong for high-ranking U.S. officials to step into a corporate-level matter in a way which causes the termination of an agreement." The comment followed the announcement of Schlumberger Ltd., a holding company of Fairchild Semiconductor, on the matter.

The two companies had agreed in principle to establish a joint venture integrating Fairchild's and Fujitsu's U.S. business, in which Fujitsu was expected to acquire 80 percent of the total equity of Fairchild. Fujitsu Ltd. said Tuesday that the mounting U.S. concern over its move to acquire 80 percent of Fairchild Semiconductor Corp., led to its decision to cancel the proposed takeover.

2 FISHERMEN PRESUMED DEAD TURN UP IN DPRK

OW170539 Tokyo KYODO in English 0527 GMT 17 Mar 87

[Text] Kanazawa, March 17 KYODO -- Two Japanese fishermen who were believed to have perished in a sea disaster in the Sea of Japan 24 years ago have turned up alive in North Korea, sources here said. A letter sent from one of those deemed to be dead was received by his sister, the sources said.

Shoji Terakoshi, his brother Sotoo, and their nephew Takeshi, then aged 36, 24 and 13 respectively, sailed out of the Sea of Japan on May 11, 1963 aboard a 1.5-ton fishing boat from Takahama port in the town of Shiga, Ishikawa Prefecture. Shoji was never found and presumed dead.

Their fishing boat was found adrift 10 kilometers off Shiga a few days later with the crewmen missing and believed dead. The fishing boat was thought to have collided with another ship since its bow was damaged.

Sotoo's sister, Toyo Kurihara, 61, received her brother's letter from North Korea on January 21 this year, marked with a Guseong, North Pyongyang address, she said. In the letter, he said that he and another crewman, believed to be Takeshi, survived, she said.

Toyo said she and her husband Munetoshi, 63, were very surprised to receive the letter, because the family had presumed that the three were dead and had held a funeral for them 24 years ago. She sent a letter to Sotoo in which she said she was looking forward to seeing him and Takeshi again, she said.

Toyo asked Keiwa Okuda, lower house member of the ruling Liberal-Democratic Party representing her prefecture, to help her in reuniting her family, she said. Okuda promised to make efforts to that effect through the Japan Red Cross Society, she added. Japan currently does not maintain diplomatic relations with North Korea.



USSR-SRV STATEMENT SUPPORTS TALKS PROPOSAL

SK170515 Pyongyang KCNA in English 0506 GMT 17 Mar 87

[Text] Pyongyang March 17 (KCNA) -- The Soviet-Vietnamese joint statement on the official goodwill visit to Vietnam by the Soviet foreign minister expressed support to the Korean people's cause of national reunification.

The statement says that the line of formation of an aggressive Washington-Tokyo-Seoul military bloc which poses a serious threat to the prospect of the development of the Asian-Pacific situation naturally arouses apprehensions.

The Soviet and Vietnamese sides supported the efforts of the Democratic People's Republic of Korea to reunify the country in a peaceful way, its proposal to build a nuclear-free, peace zone on the Korean peninsula and its proposal for holding high-level political and military talks between the North and the South of Korea, the statement notes.

DPRK, USSR SIGN PROTOCOL ON COMMODITIES DELIVERY

SK170525 Pyongyang KCNA in English 0515 GMT 17 Mar 87

[Text] Pyongyang March 17 (KCNA) - A protocol on the mutual delivery of commodities and payments for 1987 was signed in Pyongyang on March 16 between the DPRK and USSR Governments.

It was signed by Han Su-kil, Korean vice-minister of foreign trade, and his Soviet counterpart Yevgeniy Bavrin.

KIM YONG-NAM AT NONALIGNED MOVEMENT CONFERENCE

Arrival in Guyana 8 Mar

SK150324 Pyongyang Domestic Service in Korean 1300 GMT 11 Mar 87

[Text] Vice Premier and Foreign Minister Kim Yong-nam arrived in Georgetown, the capital of Guyana, on 8 March to attend a special conference of foreign ministers of the coordinating committee of the nonaligned nations on the Latin American and Caribbean issue. Our foreign minister was received at the airport by Reshleigh Esmond, Guyanese foreign minister, and other functionaries concerned. Our ambassador to Guyana and staff members of our embassy were present at the airport.

Meets Foreign Ministers

SK141015 Pyongyang KCNA in English 1006 GMT 14 Mar 87

[Text] Pyongyang March 14 (KCNA) -- Vice-premier and Foreign Minister Kim Yong-nam on March 10 met the foreign ministers of Peru, Ethiopia and Nicaragua in Georgetown, according to a report.

Earlier, on the ninth, he met the foreign ministers of Cyprus and Algeria and the first vice-minister of foreign affairs of Iran.

Views were exchanged on the problem of the Non-Aligned Movement and a series of other problems of common concern.

Conversations took place in a friendly atmosphere.

## 2d Day Session Speech

SK160757 Pyongyang Domestic Service in Korean '300 GMT 14 Mar 87

[Text] Kim Yong-nam, vice premier and foreign minister of the DPRK, made a speech at the second-day session of the special ministerial meeting of the coordination bureau of nonaligned countries on Latin American and Caribbean problems held in Georgetown, the capital of Guyana.

Expressing his conviction that the current meeting would greatly contribute to successfully discussing agenda items and to taking effective and practical measures, he noted: In view of the significance of the agenda items and the demands of the situation, we believe that the special meeting of the coordination bureau of nonaligned countries on Latin American and Caribbean problems has been convened in a very timely manner.

As we all know, 4 years ago today we gathered in Managua, deeply concerned, and discussed the situation created in Central America and the Caribbean region. At that time we noted that the exacerbation of the situation in this region was primarily caused by the imperialists' policy of aggression and intervention and emphasized the need to bring an end to such maneuvers at an early date, adopting a joint communique to reflect our determination.

After that we paid great attention to the situation that prevails in this region and have since made every possible effort to realize our determination in Rwanda, New Delhi, and Harare. Nevertheless, the situation in this region has not improved, rather it has become daily exacerbated without interruption. The fact that we are gathered here in Georgetown for the discussion of the situation in this region is in itself an expression of the gravity of the situation.

Today, imperialists consistently pursue the policy of aggression and intervention against other countries in the region, make the situation extremely acute, and viciously jeopardize peace and security. In particular, we cannot overlook that the brunt of the aggression and intervention against the countries in this region is directed mainly against Nicaragua, a nonaligned nation.

While threatening this countries independence and sovereignty by mobilizing armed forces and frequently conducting military exercises, the United States is now engaged in repairing and expanding military facilities, including military airstrips to be used in an emergency on a large scale.

In a bid to obliterate the Nicaraguan revolution, the United States has given an enormous amount of military and financial assistance to counterrevolutionary elements in Nicaragua, while openly babbling about its intention to crush this country to death militarily.

The scandal concerning the clandestine funneling of a staggering amount of money to counterrevolutionary elements in this country, which has recently been exposed, has clearly demonstrated how brazen-facedly the Reagan administration maneuvers to overthrow the Sandinista revolutionary regime.

The Korean people vehemently denounce the aggressive and interventionist schemes of the United States against the government and people of the Republic of Nicaragua as a wanton infringement upon the internationally recognized independence and territorial integrity of a sovereign state and a grave crime that wrecks peace and security in the Central American and Caribbean region.

Today, the Nicaraguan people, rallying firmly around the Sandinista National Liberation Front and the Nicaraguan Government, are bravely defending their fatherland and revolutionary gains while smashing at every turn all manner of aggression and subversive maneuvers by enemies within and without, vigorously accelerating the building of a new society.

The Korean people express firm militant solidarity with the just cause of the fraternal Nicaraguan people who have risen as one to defend the political independence and dignity of the country. It has become an irresistible trend of the times to advance toward sovereignty and independence, progress and peace.

After putting forward just and reasonable proposals designed to correctly resolve Central American problems politically and to guarantee lasting peace in this region, the Nicaraguan Government and the Contadora Group have been making every sincere effort possible to realize them.

The Reagan administration should accede to the just demand of countries in this region for a peaceful solution to the Central American problem and renounce at once its policy of aggression and intervention against the Nicaraguan people.

While prattling about the need to prevent the emergence of another Nicaragua in Central America, the Reagan administration is desperately trying to keep the crumbling pro-U.S. dictatorial regime in El Salvador afloat.

The patriotic people in El Salvador who have bravely risen as one with arms in their hands in a struggle with firm conviction as to the justness of their cause, are now expanding their victory on a pan-national scope by mounting severe strikes against the enemy.

The Korean people warmly congratulate the patriotic people in El Salvador on their battle success and express full support to and militant solidarity with them in the struggle for genuine democratic freedom and liberation.

President of the DPRK the great leader Comrade Kim Il-song has taught: Gone forever are they days when the U.S. imperialists could oppress and plunder the Latin American people as they please; an era in which the Latin American people have emerged as the masters of Latin American has arrived.

Today, countries in Latin America and the Caribbean region are engaged in a vigorous struggle against all forms of domination and subjugation and for national liberation and the defense of independence and sovereignty.

The Korean people extend full support to, and firm solidarity with, the fraternal Cuban people in the struggle to firmly safeguard the gains of the revolution, smashing the repeated aggressive and subversive maneuvers of the United States.

We also support the struggle of the Argentine and Panamanian people in defending independence and sovereignty and the struggle of the Puerto Rican people for national independence and liberation.

Today, the countries in Latin American that love peace and progress have put forward a series of affirmative peace initiatives and proposals to guarantee peace in the world, and in this region in particular.



We support the initiative of the six-nation group, including Mexico and Argentina, to restrict the arms race, check the militarization of space, and freeze nuclear testing; the proposal of Mexico, Brazil, Bolivia, and Ecuador to establish a nuclear-free zone in Latin America; and the proposal of Brazil to convert the South Pacific Ocean into a nuclear-free, peace zone.

No force on earth can thwart the aspirations of the people in this region who are determined to enjoy progress and prosperity in a world free of war and aggression.

The imperialists have seriously jeopardized peace and security, not only in Central America and Caribbean region, but in various parts of the world. Today, the United States has exacerbated the situation on the Korean peninsula to the extreme, while viciously pursuing its policy of fabricating two Koreas in the Far East, and in Korea in particular. To achieve its aggressive goal, the United States is now increasing aggressive forces, including nuclear weapons, on a large-scale in South Korea, while becoming more enthusiastic about its maneuvers to provoke a new war.

As is well known, approximately 1,000 nuclear weapons have now been deployed in South Korea and the density of their deployment is four times as high as NATO. Not content with this, the United States plans to bring into South Korea more new nuclear and chemical weapons and is now openly pressing forward with even a plan to build special nuclear storage facilities.

In a bid to induce Japan into executing its aggressive strategy toward Asia, the Reagan administration is now accelerating its maneuvers to fabricate a tripartite military alliance among the United States, Japan, and South Korea as its final stage. This shows that U.S. maneuvers for aggression and war in the Far East are now being pushed ahead to a very dangerous stage.

After successively putting forward reasonable and constructive peace proposals designed to ease tension on the Korean peninsula and solve the Korean question by peaceful means, the government of the republic has made every sincere effort possible to realize them.

We have already put forward the proposal for tripartite talks designed to replace the Korean Military Armistice Agreement with a peace agreement and adopt a declaration of nonaggression between the North and South, and last year we put forward a positive peace proposal for turning the Korean peninsula into a nuclear-free, peace zone. Not long ago, we advanced an epochal measure for national salvation designed to alleviate the acute state of political and military confrontation between the North and South and produce a new breakthrough for peace and peaceful reunification -- a proposal for holding high-level North-South political and military talks.

However, none of our peace proposals has as yet, been realized and the situation on the Korean peninsula has now become more exacerbated.

By mobilizing forces of 200,000-strong and modern war means, the United States is now conducting with the South Korean authorities a nuclear test war designed to mount a surprise attack against our republic, the "Team Spirit-87" joint military exercise. This clearly demonstrates that the United States and South Korean authorities do not want the relaxation of tension and peace in Korea, and that they pursue only aggression and division.

We will continuously exert patient efforts to guarantee lasting peace on the Korean peninsula and provide prerequisites favorable to national reunification.



Availing myself of this opportunity, I extend my deep gratitude to the governments and people in various nonaligned countries that have lent positive support to, and solidarity with, our people's cause of national reunification. The struggle by the people of the world against aggression and intervention, domination, and subjugation is being staged within close ties.

The Korean people will positively contribute to realizing the noble cause of the Nonaligned Movement by strengthening in every way solidarity with the people of the Latin American and Caribbean region.

Assuming the sweeping away of the consequences of the imperialist colonial rule and the realizing of complete economic liberation for its member states as its major strategic task, the Nonaligned Movement has staged a vigorous struggle for its realization.

Today, the nonaligned countries have made giant strides in realizing economic liberation and self-reliance and these strides have now become firm foundations toward hardening their countries' political independence and vigorously propelling the building of a new society.

The unfair international economic relations, which were created in the past by imperialist colonialists, still extremely restrict the economic liberation and development in the national economies of the nonaligned countries and lay great obstacles to the building of new societies by these countries. In particular, countries in Latin American and the Caribbean region suffer extreme economic and financial disasters due to the unfair trade system and protectionism.

Today, the question of foreign debt shouldered by countries in Latin America and the Caribbean region has become not only a simple financial problem, but also a serious socio-political problem. It is, therefore, good that the countries in this region are taking concerted actions to solve their debt problems and we hope that this problem will be solved in a fair manner in the interest of the people of the countries in Latin America and the Caribbean region.

To sweep away the consequences of colonial rule left behind by the imperialists and achieve economic liberation, it is imperative to build a self-reliant national economy. Under no circumstances will the imperialists give developing countries economic liberation as a gift so that the developing countries can live better lives.

Today's reality demands that the nonaligned and developing countries realize South-South cooperation more pressingly than at any previous time, based on the principle of collective self-reliance.

Countries in Latin America and the Caribbean region are now making efforts to stop the imperialists' maneuvers to make economic inroads into their countries and to develop economic cooperation among countries in the interests of the people in the region. Their efforts, part of a struggle to reorganize and expand international economic relations and realize South-South cooperation, are being supported by member states of the Nonaligned Movement.

The nonaligned countries should expand and develop South-South cooperation in a many-sided way to achieve economic liberation and further accelerate the establishment of a new international economic order.

A special ministerial meeting of nonaligned countries on South-South cooperation will be held in Pyongyang in June according to the decision of the eighth nonaligned summit conference.

The government of our republic attaches great importance to this meeting and is briskly conducting preparations so that the meeting may bear wonderful fruit.

We will make every possible effort for the special ministerial meeting on South-South cooperation, the first in the history of Nonaligned Movement, to be a significant meeting practically conducive to developing South-South cooperation with the positive cooperation of interested all countries.

This meeting now faces the task of taking effective measures to achieve lasting peace and security and defend independence and sovereignty in Latin American and the Caribbean region according to the expectations of the nonaligned countries and the progressive people of the world.

The aggressive act of opposing a member state of the Nonaligned Movement is the aggressive act of opposing all member states of the movement. The nonaligned countries should collectively deal a blow to the imperialists who are exacerbating the situation in this region with a policy of aggression and intervention.

Member nations of the Nonaligned Movement should struggle from their position on a broad scale to frustrate the aggressive and interventionist maneuvers of the imperialists and render assistance in all forms to help the Nicaraguan people and other people in this region defend their independence and sovereignty.

At the same time, the member states of the Nonaligned Movement should take positive steps to more thoroughly isolate in the international theater the pro-U.S. reactionary regimes that act as the shock force of aggression at the zealous instigation of the United States.

The government of the DPRK and the Korean people will as ever firmly support and encourage the just cause of the people in this region to defend the independence and sovereignty of their countries and the peace and security in this region and struggle shoulder to shoulder with them.

#### MILITARY CRITIC DENOUNCES 'TEAM SPIRIT-87'

SK170551 Pyongyang KCNA in English 0532 GMT 17 Mar 87

[Text] Pyongyang March 17 (KCNA) -- The "Team Spirit" joint military exercises are very adventurous and provocative, aggressive military exercises and offensive operational exercises for mounting a "forestalling attack" on the northern half of our republic.

Military critic Mun Chu-ho says this in a ceremony contributed to MINJU CHOSON today under the title "Not Defensive But Offensive Exercises".

Each time they held the "Team Spirit" joint military exercises the U.S. imperialists and the South Korean puppets advertised that they are an "annual occurrence" and "defensive training", the military critic notes, and says: This is a foolish trick to veil the aggressive and offensive nature of the military exercises and a despicable ruse to mislead world public opinion.

The offensive nature of the "Team Spirit" joint military exercise is to be seen clearly first of all in the provocative slogans put up by them.

Their slogans put up in the "Team Spirit" joint military exercises "See deeply and strike deeply" and "Let us win through the win-the-war-quick operation" have nothing to do with defence. They are provocative slogans which can be put up only by those with an offensive ambition.

The aggressive and offensive nature of the "Team Spirit" joint military exercises can also be seen fully in choosing the theatre of the exercises.

The landing operation exercise is held at an area closely similar to the coast of the northern half of the DPRK and the river-crossing operational exercise is held in such a way as to cross the South Han River and attack the opposite side. This shows with increasing clarity that the "Team Spirit" war rehearsal is an offensive one.

Furthermore, most of the U.S. imperialist aggression forces hurled into the military exercises are those who have undergone cold-endurance exercise in Alaska and Hokkaido of Japan and have been taught even Korean language. This clearly tells what is the purpose of the military exercises.

The offensive nature of the "Team Spirit" joint military exercises of the U.S. imperialists and the South Korean puppet clique is brought into bolder relief by the armed forces mobilized in the rehearsal and its duration.

In setting the period of the exercises from the thaw to spring and choosing the site of cold endurance exercise in Alaska the U.S. imperialists seek not to repeat the bitter defeat they sustained in the battle on the Lake Changjin and other winter battles during the past Korean war.

The content and method of the "Team Spirit" joint military exercises also clearly show the offensive nature of the exercises.

The early "Team Spirit" joint military exercises were only offensive exercises of separate units of different arms and services. But now they have been expanded into an allout military rehearsal against the northern half of the DPRK involving units of different arms and services and special units.

The aggressive and offensive nature of the "Team Spirit" joint military exercises has become all the more salient in the military equipment mobilized in the exercises.

Facts patently show that in view of their nature, scope, content and form, composition of armed forces and military equipment the "Team Spirit 87" joint military exercises of the U.S. imperialists and the South Korean puppet clique are by no means "defensive exercises" or "annual occurrence" but extremely adventurous and offensive military exercises and a desperate test nuclear war for invading our republic and other Asian socialist countries without declaring war at any moment, while wearing the deceptive mask of "defence".

If the U.S. imperialists and the puppet clique dare unleash another war in our country, they will sustain a bitter defeat as they did in the past Korean war and be unable to escape destruction, warns the military critic.



**NODONG SINGUN CRITICIZES AIRLIFT EXERCISE**

SK170800 Pyongyang Domestic Service in Korean 2150 GMT Mar 87

[NODONG SINGUN 17 March commentary: "Gunpowder Is Growing Dense"]

[Text] The "Team Spirit" war exercise staged by the U.S. imperialists and the South Korean puppets is being carried out in a greater frenzy with each passing day.

An airlift demonstration exercise was recently conducted by a puppet army unit which included the flying of various types of helicopters, on the pretext of preparing for the "Team Spirit-87" joint military exercise, amid raving about the tactical operations and loading capacity of the mobile units involved.

The airlift exercise staged by the puppets is playing with fire perpetrated after the "Team Spirit" war exercise entered its full-scale operational stage. That this exercise began with the U.S. imperialist forces sweeping in from overseas suggests that the "Team Spirit" war exercise this year is being organized to be a more reckless military operation and that the dangerous nature of the exercise increases further.

It is well known to the world that we have proposed high-level North-South political and military talks to end political confrontation in Korea, to create an atmosphere of understanding and trust, and to relax tension by removing the danger of war, and that we are making every sincere effort to realize the proposal.

However, the Chon Tu-hwan clique is more frantically staging the war exercise in collusion with the U.S. imperialist aggressor forces, ignoring the peace talks proposed by fellow countrymen.

As already known, the U.S. imperialists handed down an order to mobilize the offensive troops of the U.S. imperialist aggressor forces overseas even before the "Team Spirit" war exercise this year, and dispatched advance troops of the aggressor forces to South Korea on the very day when the war exercise began -- unprecedented activity.

For nearly a month since that time, numerous U.S. imperialist aggressor troops and operational equipment were dragged into South Korea by transport ships and aircraft. While introducing various lethal equipment and manpower into South Korea, the U.S. imperialists continued to deploy the U.S. 2d Division in the advanced area of the frontline and announced that they would attach a battalion of offensive helicopters and organize a support system for multiple rocket launchers.

They also babbled that they would offer new offensive equipment to the puppets. The U.S. imperialists more frequently perpetrated aerial espionage activities against the northern half of the republic by infiltrating their spy plane deep into the airspace of our country.

That the U.S. imperialists and the South Korean puppets are unprecedentedly accelerating the exercise, even though they have extended the duration of the war exercise into May, and that the U.S. imperialists have announced a new troop reinforcement plan, are situations we should not overlook.



All military actions waged in South Korea show that the U.S. imperialists and the Chon Tu-hwan military hooligans are drastically accelerating the northward aggressive war preparations and that because of the rascals, a nuclear war may break out on the Korean peninsula at any moment. The U.S. imperialists describe their playing with fire as defense training to defend against someone else's southward invasion. They also rave as if they were interested in dialogue and peace.

Traitor Chon Tu-hwan babbled that this year is a most dangerous time, that an alert posture should be assumed as if in time of war, and so forth while touring the puppet army units in the midst of the war exercise. This is counterpropaganda perpetrated by those who are recklessly playing with fire, ignoring the peace talks, and misleading public opinion at home and abroad and slanderous propaganda worked out to shift the responsibility of a northward aggressive war after they have provoked it.

The tune being played about dialogue and peace while booming the roar of guns and reeking powder by staging the war exercise only arouses our greater vigilance.

The U.S. imperialists and the puppets should immediately stop the reckless war exercise.

#### FOREIGN FUNCTIONS MARK KIM CHONG-IL BIRTHDAY

SK160450 Pyongyang KCNA in English 0438 GMT 16 Mar 87

[Text] Pyongyang March 16 (KCNA) -- Functions were held recently in various countries on the occasion of the birthday of dear Comrade Kim Chong-il.

At a lecture arranged by the Chuche Idea Study Society of Delhi, India, the chairman of the society stressed that the dear leader His Excellency Kim Chong-il is a great thinker and theoretician who is carrying forward and developing the immortal chuche idea of President Kim Il-song.

Expounded in the immortal ideas and theories of his excellency Kim Chong-il are the revolutionary theory of chuche, the socialist economic theory and all other theoretical and practical problems which serve as a guiding compass in the building of a new society such as politics, economy, culture, military and external affairs.

A lecture was given at University of Burundi by the head of the history chair of the university.

He said dear Comrade Kim Chong-il is conducting energetic activities to realise the independent and peaceful reunification of the country and strengthen the international solidarity with the world people.

A seminar on the noble virtues and wise leadership of dear Comrade Kim Chong-il was held at the group for the study of the great chuche philosophy in Sierra Leone.

The chief of the group in his speech emphasized that the extraordinary intelligence of His Excellency dear Kim Chong-il and his outstanding leadership ability fully show that he perfectly personifies the traits of a distinguished leader and stressed that he is, indeed, a great leader of people.

Photo exhibitions, film shows, celebration meetings, friendship gatherings and other functions were held in Finland, Pakistan, Cyprus, Norway, Thailand, Senegal, Uganda and Jamaica.

KCNA REPORTS DPRK-CUBA FRIENDSHIP MEETING

SK171033 Pyongyang KCNA in English 1028 GMT 17 Mar 87

[Text] Pyongyang March 17 (KCNA) -- A friendship meeting with officials of the Cuban Embassy in Pyongyang was held at the Korea-Cuba friendship Hwasong cooperative farm on March 16 to mark the 25th anniversary of the establishment of the friendship farm.

Present there were officials concerned, officials of the management board of the farm and charge d'affaires ad interim of the Cuban Embassy Danilo Sotolongo Hernandez and his embassy officials.

The attendants of the meeting deepened the sentiments of friendship between the two peoples, chatting with each other.

VNS ON U.S. AMBASSADOR'S MEETING WITH NKDP'S YI

SK170450 (Clandestine) Voice of National Salvation in Korean to South Korea 1000 GMT 14 Mar 87

[Text] On 13 March, in a meeting with NKDP President Yi Min-u, Lilley, U.S. ambassador to South Korea, raved that the United States is in no position to intervene in South Korea's democratization and that South Korea should alone solve the problem of achieving democratization. This is a sophism designed to conceal the U.S. maneuver hindering democratization in South Korea.

The failure to achieve democratization in South Korea and reunification of our country, even though more than 40 years have passed since the 15 August liberation, totally results from the U.S. execution of a colonial military fascist rule in South Korea.

As the 16 May military coup d'etat and the 18 May Kwangju incident show, the United States triggered military coups d'etat whenever our people's struggle to achieve democratization in society and reunification of the country increased and have continuously enforced the colonial military fascist rule by installing pro-U.S. dictators.

Although the United States babbles as if it is interested in democratization in South Korea to settle the South Korean people's anti-U.S. struggle sentiments which is increasing daily, it is supporting and instigating its stooges to suppress the people who demand democratization.

Lilley's babbling about democratization in South Korea regardless of this fact is an unpardonable absurd speech designed to deceive and ridicule our people.

If the problem of achieving democratization in South Korea is to be fundamentally solved, the U.S. colonial fascist rule should come to an end and pro-U.S. military fascist elements like the Chon Tu-hwan group should step down from power.

SOUTH RESPONDS TO NORTH'S TALKS PROPOSAL

SK170215 Seoul YONHAP in English 0204 GMT 17 Mar 87

[Text] Seoul, March 17 (YONHAP) -- South Korea Tuesday forwarded a proposal to North Korea calling for an inter-Korean prime ministers' meeting to discuss ways to improve inter-Korean relations and to ease tensions on the peninsula. In a letter co-signed by Prime Minister No Sin-yong and Defense Minister Yi Ki-paek, Seoul suggested that an "atmosphere of trust," should be set for the premiers' meeting by first holding a meeting on the utilization and development of common water resources and by reopening the suspended inter-Korean dialogue.

South Korea proposed that the water resources meeting be held this month in the truce village of Panmunjom and that the Red Cross talks and South-North economic meeting be slated for next month in Pyongyang and Panmunjom, respectively. Seoul left it up to Pyongyang to decide on the specific dates for the meetings.

The letter, addressed to North Korean Premier Yi Kun-mo and People's Armed Forces Minister O Chin-u, was delivered Tuesday morning at the conference room of the Neutral Nations Supervisory Commission in Panmunjom.

The prime ministers' meeting would pave the way for a meeting in the near future between the highest leaders of the two Koreas, as South Korean President Chon Tu-hwan proposed as a way of promoting peace and reunification, the letter continued.

The letter was sent in reply to a March 3 letter from Pyongyang renewing earlier calls for a high-level political and military meeting. South Korea has said repeatedly that a summit meeting could involve discussions about holding political and military talks, but North Korea has demanded that the latter talks be a prerequisite for opening dialogue channels.

The South Korean letter said, "a top leaders' meeting would be the most effective way, and a shortcut, to improve inter-Korean relations and to settle basic issues for the peaceful unification of the divided peninsula."

The two Koreas have not engaged in dialogue since early last year, when Pyongyang unilaterally boycotted all channels of the inter-Korean dialogue, citing as a excuse the annual South Korean-U.S. joint military exercise "Team Spirit."

"To create trust between the South and the North, we think the two Koreas should promptly open the water resources meeting related to Pyongyang's construction of the Kungangsan Dam, which has created new tensions by threatening lives and property on the other side," the letter said. South Koreans fear that North Korea could use the dam as a giant "water weapon" to inundate the central region of the peninsula including Seoul.

MINISTER EXPLAINS U.S. DIRECTIVE TO DIPLOMATS

SK170721 Seoul YONHAP in English 0708 GMT 17 Mar 87

[Text] Seoul, March 17 (YONHAP) -- Korean Foreign Minister Choe Kwang-su said Tuesday that the U.S. State Department's recent directive allowing its diplomats to engage in "substantive" talks with North Korean diplomats does not signal any change in U.S. policy toward the Korean peninsula.



He made the remark while briefing the ruling Democratic Justice Party's general policy coordination council on pending diplomatic issues involving Seoul's bilateral relations with Washington and Tokyo.

The U.S. directive is limited to "neutral settings" and is intended to ease tensions on the peninsula by promoting inter-Korean dialogue and supporting Korea's successful hosting of the 1988 Seoul Summer Olympic Games, Choe added.

Korea is considering various measures to rectify its chronic trade deficit with Japan, he said. The government is negotiating with the Japanese Government the release of a North Korean soldier detained in that country since November 1983 for illegal entry, he added. Choe pledged that the Korean Government will do its utmost under humanitarian principles to allow Sgt. Min Hong-ku to come to Seoul, in accordance with his wishes. The matter is complicated by the fact that North Korea, in retaliation for Min's defection, is holding hostage the ship's two Japanese crewmen. They were aboard the ship when Min sneaked to Japan in an apparent defection bid.

Regarding the possibility of the two Koreas co-hosting the 1988 Summer Olympics, Choe said that North Korea is expected to make clear by August its final position on the International Olympic Committee's proposal that the cycling and archery events be held in North Korea. The IOC's position is not to allow North Korea to host more than two events.

Although negotiations between the IOC and North Korean officials are under way, Choe said, Pyongyang is not likely to accept the IOC's proposal, in view of the fact that it would have to ensure the free entry of some 25,000 athletes and officials across its border.

The foreign minister also said that Seoul would regard the simultaneous entry into the United Nations of the two Koreas as "a turning point" in maintaining peaceful coexistence and dialogue between the divided halves of the peninsula, while Pyongyang argues that it would perpetuate the division of the peninsula. The acceptance of South Korea, which has diplomatic ties with more than 130 nations and which ranks in the top 10 in the world in terms of trade volume, into the United Nations would not deviate from the universality of the U.N. principles, Choe added.

On the domestic front, Choe said that the U.S. commitment to the security of South Korea is firm and that the U.S. Government supports political stability in Korea.

#### CHON URGES NEW POLICIES TO CURB FARMERS' DEBT

SK170123 Seoul THE KOREA TIMES in English 17 Mar 87 p 1

[Text] President Chon Tu-hwan yesterday told the Cabinet to work out an institutional apparatus to enable farmers and fishermen to avoid incurring heavy debts.

The Chief Executive gave this directive after being briefed on a package program to bail farmers and fishermen out of financial difficulties in a joint meeting of ranking officials of the administration and the ruling Democratic Justice Party (DJP) at Chongwadae.

The package program features the release of an enormous public fund amounting to about 1,000 billion won to help reduce the debts of farmers and fishermen.



The President stressed that various policies for development of farming and fishing communities should be implemented in more stable sources of income.

The policies must be focused on helping farmers and fishermen support themselves by their own income, without incurring liabilities, the President said.

President Chon then called for the launching of campaigns to help farmers and fishermen lead a more frugal life and to tackle their financial difficulties through productivity improvement.

Chon told the Cabinet to map out supplemental measures so that the newly-formulated package does not have an adverse effect upon the performance of the economy which is directed at the optimal growth compatible with firm price stability.

The President then said that the people should take an attitude of willingness to share financial burdens together in the cause of safeguarding the foundation of price stability.

Chon revealed that the new package for farmers and fishermen contains a host of measures to relieve on a gigantic scale the financial pinch felt by farmers and fishermen.

The president said that the modernization of farming fishing communities is progressing rapidly through the successful implementation of various measures including a comprehensive program for the development of agricultural communities, which was announced in March last year.

Yesterday's administration-party coordinated session was attended by the Prime Minister No Sin-yong and other ministers, and key post-holders of the ruling DJP including chairman No Tae-u.

#### NKDP MAINSTREAMERS PREPARING TO FORM OWN PARTY

SK170114 Seoul THE KOREA HERALD in English 17 Mar 87 p 1

[Text] The feud in the New Korea Democratic Party shows no sign of early settlement as behind-the-scenes mediation efforts by some middle-of-the-road lawmakers have failed.

As the confrontation continues between party president Yi Min-u and themselves, the mainstreamers, or Kim Tae-chung, Kim Yong-sam and their supporters, are preparing to form a political party of their own.

The mainstreamers have decided that if Yi sticks to his "democratization formula" and nonmainstreamers continue to attack the two Kims, formation of a new political party will be inevitable, sources said yesterday.

The mainstreamers plan to take concrete steps next week to form their own political party, when 70 of them will bolt from the NKDP, according to the sources. Seventy NKDP lawmakers last Thursday signed a document supporting the two Kims and opposing Yi's democratization formula.

Before that, deputies of the two Kims moved to boycott all the official meetings and other affairs of the party to be presided over by Yi, to step up political pressure against Yi.

They also plan to contact some 10 nonmainstreamers soon to obtain their signatures vowing support for the two Kims and the party's official line of seeking direct presidential elections.

However, the two Kims said yesterday they will wait till tomorrow, when they are scheduled to meet again, to see what the attitude of Yi and nonmainstreamers are.

Party sources said that the two de facto leaders of the NKDP might announce "something important" on the internal dispute over Yi's seven-point democratization formula tomorrow morning.

The mainstreamers have demanded Yi drop his formula, saying it gives an impression that the NKDP might accept a cabinet form of government favored by the ruling camp, in exchange for the seven reforms.

In a related move, deputies of the two Kims walked out of a meeting of the party's leading officeholders, denouncing Yi for breaking a promise he made last Friday to meet the two Kims "in two or three days" to help settle the feud.

Yi said that "now the situation is unfavorable for meeting with the two Kims."

Meanwhile, Reps. Hong Sa-tok and Kim Su-han tried to mediate between Yi and party adviser Kim Yong-sam Sunday to obtain "a reasonable settlement of the internal disputes," but to no avail.

Hong proposed that Yi retire "in a honorable manner" in May and then refer the issue of governmental power structure to the new party president.

Yi refused the mediation proposal, calling on the two Kims to scrap the signatures collected from his supporters.

Middle-of-the-road lawmakers Yi Ki-taek, Kim Su-han and Song Won-yong yesterday said they will "spearhead an effort to save the party from being split into two."

#### YI CHOL-SUNG TO ATTEMPT TO SETTLE NKDP FEUD

SK170117 Seoul THE KOREA HERALD in English 17 Mar 87 p 1

[Text] Rep. Yi Chol-sung, a minor faction leader of the New Korea Democratic Party, yesterday said he would present a motion calling for a change in the party's policy of seeking direct presidential elections at a party national convention in May.

Meeting with reporters at his home in Pangbae-dong, Yi again advocated the need for a "genuine" cabinet government system, which he said has consistently been demanded by his seniors in the opposition.

He said, however, the cabinet system proposed by the ruling Democratic Justice Party has many "differences" from the pure parliamentary system he advocates.

To help settle the NKDP's internal feud, he said he will soon meet with party president Yi Min-u.

He denounced Kim Yong-sam and Kim Tae-chung for their "self-centered" management of the party, stating that it caused the current intraparty dispute.

He urged the DJP to immediately take democratic steps to help solve the current political crisis.

Last month, he triggered intraparty controversy by announcing his support for a parliamentary system in defiance of the party's official line of seeking direct presidential elections.

#### KNP SEEKS MEDIUM-SIZED CONSTITUENCY SYSTEM

SK170119 Seoul THE KOREA HERALD in English 17 Mar 87 p 2

[Text] The minor opposition Korea National Party yesterday called for the adoption of a medium-sized constituency system under which three to five lawmakers are elected from each electoral district according to the population size.

Under the present National Assemblymen Election Law, two lawmakers are elected from each constituency.

In a package of major policy goals for this year, the KNP also demanded revisions of the law in such a way as to distribute the parliamentary seats under a proportional representation system in proportion to the number of votes political parties receive in general elections.

The current proportional representation system stipulates that the political party which wins the most seats is entitled to two-thirds, or 61 of the 92 seats set aside by the proportional system, which accounts for one-third of the total 276 parliamentary seats.

The package, which was approved in a meeting of the party's Executive Council, also asked for the implementation of local autonomy this year in five major cities, including Seoul, and nine provinces.

It reaffirmed the party's official policy of seeking constitutional reform featuring direct presidential elections.

The package also said:

1. Efforts will be continued to prepare for the peaceful transfer of power in 1988.
2. Emphasis will also be placed on "democratization" and "eradication of torture."
3. More effort will be made to reduce the gap between the "haves and have nots" and improve the standard of living of those in the low-income bracket.

During the meeting, party president Yi Man-sop expressed concerns over the current political situation, saying the activities of the National Assembly have been suspended because of the dispute in the main opposition New Korea Democratic Party over the so-called Yi Min-u democratization formula.

"What I worry about is that there may be the people's distrust in all politicians before long," he said.



HENG SAMRIN RECEIVES SRV, USSR, LAOS YOUTH

OW131143 Hanoi VNA in English 0708 GMT 13 Mar 87

[Text] Hanoi VNA March 13 -- [The] Kampuchean president received in Phnom Penh yesterday youth delegations of Vietnam, Laos, the Soviet Union and the World Federation of Democratic Youth (WFDY) to the just-ended congress of the Kampuchean Revolutionary Youth Organization.

Speaking on the occasion, President Heng Samrin, who is also general secretary of the People's Revolutionary Party Central Committee, thanked their attendance which, he said, contributed to the congress' success.

The head delegates of Vietnam, Laos and the Soviet Union highly valued the success of the congress, saying that it contributes to the all-round cooperation among the young people in the socialist community, and the progressive youth the world over. They expressed their firm belief that under the clear-sighted leadership of the PRK and in the light of the second congress' resolution, the Kampuchean youth will score new, greater successes, and that the militant solidarity, friendship and all-sided cooperation among the Indochinese youth, and between them and the Soviet youth will further strengthen and develop.

For his part, the WFDY's representative voiced full support for the three Indochinese countries' struggle for peace, stability and security. He strongly condemned the perfidious moves of the U.S. imperialists and other reactionary forces, who are sowing division among the three Indochinese countries.

VODK SAYS SHEVARNADZE DISGRACED DURING ASIA TRIP

BK170419 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 16 Mar 87

["News commentary": "Soviet Foreign Minister Shevardnadze Was Disgraced Everywhere During His Trip to the Southeast Asia and Pacific Region"]

[Text] The Southeast Asia-Pacific region is an important area constantly eyed by Soviet international expansionists. However, the anti-Soviet movement in this region is also strong, particularly since the Soviet Union assisted Vietnam in committing aggression at the end of 1978 and the Soviet invasion of Afghanistan at the end of 1979.

On 2 March, the Soviet Union dispatched to this region an important delegation led by Foreign Minister Shevardnadze in an attempt to carry out propaganda to cover up Soviet aggressive and expansionist ambitions in the region and to look for ways to penetrate deeper into the region. However, Shevardnadze's trip fooled no one. On the contrary, Shevardnadze was disgraced everywhere.

In Bangkok, during talks with Thai Foreign Minister Sitthi Sawetsila, the Thai minister told Shevardnadze that the Soviet Union should stop assisting Vietnam in its aggression in Cambodia and that the Soviet Union and Vietnam should withdraw their forces from Afghanistan and Cambodia to allow these two peoples to organize elections to decide their own destiny. Upon arriving in Canberra, Australia, hundreds of Afghan residents in Australia angrily demonstrated against Shevardnadze with banners and slogans insulting the Soviet Union. When Shevardnadze arrived in Sydney, many more Afghans were waiting at the airport and threw rubbish and rotten eggs at Shevardnadze's head. The protestors loudly called for the end of Soviet aggression in Afghanistan. This greatly disgraced Shevardnadze who hastily left the airport.

During talks with Shevardnadze, Australian leaders voiced Australia's concerns over the increasing Soviet military presence at Cam Ranh Bay in Vietnam. The Australian leaders bluntly said that Soviet activities in this region surpass the trade and economic scopes. And during talks with Australian opposition leaders, people also more firmly voiced opposition to Soviet activities in this region. This made Shevardnadze furious. In this anger, he rejected this with inappropriate words, forgetting that he is a diplomat.

In Indonesia, shortly before Shevardnadze's arrival, the Indonesia-Afghanistan friendship committee issued a statement calling for the withdrawal of all Soviet troops from Afghanistan. The statement strongly condemned the Soviet action aggression in Afghanistan.

In Laos, despite stringent security by the Vietnamese and Vientiane puppet authorities before Shevardnadze's arrival, a bomb exploded at the Soviet cultural center in the middle of Vientiane. This bomb was a sign that the Lao people categorically oppose Soviet Assistance to Vietnam to annex Laos and include it in Vietnam's stinking Indochinese Federation.

So, during his trip to Southeast Asia and the Pacific, Shevardnadze was greatly disgraced because of condemnation and opposition from people, politicians, and leaders of countries in the region. This is the result of the implementation of an aggressive and expansionist policy by the Soviet Union. And as long as the Soviet Union continues to implement this policy, people will further oppose it and more hate it.

#### SRV, USSR NOT GIVING UP AGGRESSION AGAINST CAMBODIA

BK150700 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 14 Mar 87

[Station commentary: "Vietnam and the Soviet Union Continue To Refuse Giving Up Their Aggressive and Expansionist Strategy in Cambodia and Southeast Asia"]

[Text] Shevardnadze has ended his visit to Hanoi, the last leg of this Soviet foreign minister's tour of Southeast Asia and the Pacific region. It was the impression of most people in the world that this is the first time that a Soviet high-ranking official has agreed to visit Southeast Asian countries which he used to look down upon in the past. The truth is that Vietnam's suffering serious difficulties caused by its war of aggression in Cambodia has prompted the Soviet Union to come out into the open to help find ways to extricate Vietnam from its plight.

During the visit of the Soviet foreign minister, it was rumored that Vietnam and the Soviet Union were ready to seek a solution to the Cambodian problem. However, so far, it has been clear that it was merely a rumor, a deception, and nothing more. Before going to Hanoi, Shevardnadze made it a point to help boost the morale of the Vietnamese puppets in Vientiane and Phnom Penh, widely recognized as Vietnam's most subservient lackeys. In so doing, Shevardnadze hoped to put a cosmetic layer on Vietnam's Indochinese Federation, and he pledged continued support for Vietnam's Indochinese Federation strategy when he arrived in Hanoi. All of this shows that Vietnam will continue to maintain its aggression against and occupation of Cambodia and the Soviet Union will continue to help Vietnam to commit aggression against Cambodia in an attempt to keep control on its military bases at Cam Ranh Bay and Da Nang so as to become the overlord of Southeast Asia and the Asia-Pacific region.

In this situation, in order to force Vietnam to agree to sincerely settle the Cambodian problem, all peace- and justice-loving countries the world over must continue lending firm support to the CGDK's 8-point peace proposal. Only by settling the Cambodian problem according to the CGDK's 8-point peace proposal can peace return to Cambodia and peace and stability be restored to Southeast Asia. At the same time, only by doing so can Vietnam and the Soviet Union extricate themselves from the quicksand of their war of aggression in Cambodia. So long as Vietnam continues to commit aggression against Cambodia and the Soviet Union continues to help Vietnam in its aggression against Cambodia, there will always be a threat to peace and stability in Southeast Asia, Vietnam will suffer more serious attrition and devastation, and the Soviet Union will have to bear the heavy burden of this war of aggression.

The Soviet Union's remarks about peace and cooperation will win nobody's trust.

SRV TROOPS ATTACKED IN PHNOM PENH, BATTAMBANG

BK140235 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian  
2315 GMT 13 Mar 87

[From the "Daily Report From Various Battlefields" feature]

[Excerpt] On the night of 6 March, our guerrillas lobbed a grenade at the Vietnamese enemy near the "Makot Pich" movie house in Phnom Penh, killing one and wounding two Vietnamese soldiers.

On 4 March, our National Army fired 107-mm rockets and 12.7-mm machinegun rounds into the international airport of Siem Reap town, killing five and wounding eight Vietnamese soldiers guarding the airport and destroying one military barracks.

On 9 March, our National Army in cooperation with the local population and fraternal patriotic Cambodian soldiers launched a 4-pronged sweeping attack on the defense networks of Battambang town from the south. The first prong hit the Vietnamese battalion position at Chambka Russei and the Vietnamese position in Sangke monastery. The second prong dispersed and dismantled the Vietnamese administrative network in Ta Moem commune located in (Yoka) village and swept the Vietnamese forces along the 12-km upper stream stretch of Sangke River from Ta Moem monastery to Bay Damram monastery. The third prong hit the Ta Moem township and dispersed and dismantled the Vietnamese administrative network in O Dambang commune. The fourth prong hit the Vietnamese company position of O Sralau and swept the Vietnamese forces along the railroad up to Prek Svay village in Reang Kerei commune.

After 30 minutes of fighting, we completely liberated and occupied the four spearheads. We killed 20 Vietnamese soldiers on the spot and wounded 25 others; destroyed 1 DK-82, 1 80-mm mortar, 1 12.7-mm machinegun, 4 B-40's, 1 machinegun, 12 AK's, 13 military barracks, 1 cloth warehouse with 8 rolls of cloth, 2 rice and paddy warehouses, 1 fuel and materiel warehouse, 1 medicine warehouse, 1 rice husking machine, and some other war materiel; and seized 5 AK's, 1 B-40, 4 SKS's, 200 rolls of cloth, 200 scarves, 3 sacks of rice, and some other materiel. We distributed the captured cloth and scarves to the local people. We also liberated 30 villages.  
[passage omitted]



**KAYSONE PHOMVIHAN ADDRESSES HEALTH CONFERENCE**

BK130955 Vientiane KPL in English 0904 GMT 12 Mar 87

[Text] Vientiane, March 12 (KPL) -- Talking to the current second national health conference here yesterday, Kaysone Phomvihan, general secretary of the LPRP CC and chairman of the Council of Ministers, laid stress on the combination of traditional and Western medicines in medical treatment.

K. Phomvihan called for an extensive development of herbal medicines, expanding the cultivation of medicinal plants for local consumption and export, and prevention of an indiscriminate exploitation of medicinal herbs. He said experienced workers in traditional medicine should be encouraged and helped to work at hospitals.

K. Phomvihan pointed to the need for promoting anti-disease campaigns and mother-and-child care. He spoke of the guidelines for the development of public health up to the year 2000.

**KAYSONE PHOMVIHAN URGES FAMILY ECONOMY GROWTH**

BK141601 Vientiane KPL in English 0910 GMT 14 Mar 87

[Text] Vientiane, March 14 (KPL) -- Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party Central Committee and chairman of the Council of Ministers, yesterday talked to delegates to a current conference on model state shops and family economy here.

In his address, K. Phomvihan recommended that state shops should step-by-step modify their commercial activities along the new system of socialist business, and that they should make the best use of the funds raised by the members and pay interests to them. He said that collective and individual forms of contractual commerce should be executed with the understanding that contractors would be paid an appropriate percentage as commission. Funds should be invested most profitably and prices of goods should be fixed at all state shops, he said. The chairman pointed out that intermediary links in doing business should be reduced as much as possible to keep prices down.

On the family economy, Chairman K. Phomvihan said that plots of land should be given to cadres and workers for cultivation. The Ministry of Agriculture, Forestry, Irrigation and Cooperatives should supply enough breeds and animal-feed for the state personnel to promote the production of their family economy.

In attendance of this occasion were Politburo members of the LPRP CC: Nouhak Phoumsavan, Phoumi Vongvichit, Khamtai Siphandon, Phoun Sipaseut, Sali Vongkhamsao, and Maichantan Sengmani, and ministers and deputy-ministers and representatives from various institutions.

**U.S.-THAI JOINT EXERCISES, OTHER ACTS CONDEMNED**

BK150928 Vientiane Domestic Service in Lao 0000 GMT 15 Mar 87

[Unattributed commentary: "The Thai Authorities' Acts Against Cambodia Run Counter to the Trend of Peace in This Part of the World"]

[Text] Parallel with annual joint military exercises conducted with the United States near the Thai-Cambodian border under the pretext of countering aggression from Cambodia, after moving 200 Cambodian refugees from the Khao I-Dang camp to positions of the Cambodian reactionaries along the Thai-Cambodian border for use of cannonfodder for the Cambodian reactionary forces, Thai authorities recently intensified their hostile activities against the PRK by firing artillery shells on Cambodian territory and supporting and assisting Cambodian reactionaries in infiltrating Cambodia to oppose the people's revival efforts.

In the air and at sea they have also intensified more serious espionage activities against Cambodia by sending aircraft of various types to violate Cambodian airspace and dispatching Thai armed boats to violate Cambodia's waters on more than 400 occasions in February. More openly still, on 3 March an aircraft of the Thai Air Force was sent to bomb and strafe Cambodian territory in a Cambodian-Lao-Thai border area, injuring the local people.

Moreover, the Thai side has launched noisy propaganda campaigns, deceitfully accusing Cambodian revolutionary forces and Vietnamese volunteer troops of infiltrating Thai territory. These acts of the Thai authorities are aimed at opposing the PRK.

As announced in a recent statement of the PRK Foreign Ministry, the Thai ruling circles want to cause a military confrontation and maintain tension along the Cambodian-Thai border as well as in Southeast Asia, with a view to serving the interests of the U.S. imperialists and other international reactionary forces and opposing the trend of meetings and dialogues which are being developed in this region.

Therefore, the Thai ruling circles' acts against the PRK will not in the least benefit peace and friendship in this region, nor will they bring anything of interest to the Thai people. The trend of meetings and dialogues is taking shape in this region. This is beneficial to all countries. For this reason, any obstruction to this trend will only harm peace and international friendship.

**FRIENDSHIP, COOPERATION WITH GDR VIEWED**

BK140408 Vientiane Domestic Service in Lao 1200 GMT 12 Mar 87

[Feature article: "Close Friendship and Cooperation Between Laos and the GDR"]

[Text] On the occasion of his current official visit to the LPDR, GDR Foreign Minister Oskar Fischer has met with his Lao counterpart, LPDR Foreign Minister Phoun Sipaseut, to discuss various important international and other issues of mutual benefit.

Oskar Fischer's visit to the LPDR in response to Phoun Sipaseut's invitation is an active contribution to strengthening bilateral cooperation.

There is a vivid memory in the GDR of the visits paid to that country in 1977 and 1982 by Kaysone Phomvihane, general secretary of the LPRP Central Committee and chairman of the LPDR Council of Ministers -- visits that opened up a new phase of friendly relations and solidarity between the Socialist Unity Party [SED] of the GDR and the LPRP and between the two states and peoples.

The GDR people are well aware that the Lao people are facing many difficulties in their effort to surmount the vestiges of feudalism and colonialist and neocolonialist oppression and exploitation. This effort cannot be fulfilled in a single day. Various progressive nations in the world have saluted and hailed the Lao people who have completely become the masters of their own fate and who are building their future along the path of socialism. In just a short time the LPDR, under the leadership of the LPRP, has become a solid base of peace and socialism in Southeast Asia.

The GDR has supported the LPDR's constructive efforts to consolidate and normalize its relations with various countries in the region, particularly with the PRC and the Kingdom of Thailand. The spirit of fraternal friendship and close solidarity between the Lao and GDR peoples are reflected in their tremendous cooperation in many spheres. This cooperation is based on the traditional relations between the SED and the LPRP. The cooperation between the trade unions and youth and women's organizations of the two countries has been consolidated with each passing day as well. The economic relations between the two countries have developed gradually thanks to the work of the Laos-GDR Intergovernmental Commission for Economic Cooperation. This commission has concluded its eighth regular session. At this session, the commission attached special importance to the question of strengthening bilateral economic relations.

Following this meeting, representatives of the two governments jointly signed a protocol on the promotion of cooperation in coffee production and the wood industry. The GDR will continue to supply equipment for increasing and modernizing the production of coffee in Laos and will provide experts and technical assistance for installing and using the equipment. In addition, the GDR will assist Laos in improving and increasing the production of wood for export, particularly in producing floor planks and in building workshops and training cadres.

The protocol on bilateral exchange for 1987 has been signed too. According to this protocol, bilateral exchange will show an increase over past years. The GDR will ship equipment for cooperation projects, trucks, medicines, and textile products to Laos, while Laos will ship agriculture and forest products to the GDR.

#### SHEVARDNADZE, FISCHER VISITS REPORTED TO POLITBURO

BK171301 Vientiane Domestic Service in Lao 1200 GMT 17 Mar 87

[Press release on LPRP Central Committee Political Bureau meeting in Vientiane; dated 17 March]

[Test] On 16 March 1987, the meeting of the Political Bureau [of the LPRP Central Committee] heard a report from Comrade Phoun Sipaseut, Political Bureau member of the party Central Committee and minister of foreign affairs, on the official friendship visits to the LPDR by a delegation of the Soviet Foreign Ministry led by Comrade Eduard Amvrosiyevich Shevardnadze, Politburo member of the CPSU Central Committee and minister of foreign affairs of the USSR, from 8 to 10 March 1987 and by a delegation of the GDR Foreign Ministry led by Comrade Oskar Fischer, member of the Central Committee of the Socialist Union Party of Germany [SED] and minister of foreign affairs of the GDR, from 11 to 14 March 1987



The Political Bureau is satisfied with the glorious success of the meetings and talks between our delegations and the delegations of the Soviet Union and the GDR, in which the three sides have unanimously observed and assessed the international and regional situation and reached a high degree of unanimity of ideas on various issues of common interest. The three sides have affirmed in particular their joint determination to contribute to the struggle to safeguard world peace and security and oppose the bellicose policy of the imperialists to check the danger of nuclear war. These visits to Laos by the two delegations have shown the cohesiveness of the various socialist countries and presented a good opportunity for the two sides to exchange views on various measures aimed at making the all-round cooperation between Laos and the Soviet Union and between Laos and the GDR ever more effective and fruitful with each passing day.

The meeting of the Political Bureau has concluded that the visits by Comrade Shevardnadze and delegation and by Comrade Fischer and delegation contributed significantly to the enhancement of mutual understanding and fraternal relations between Laos and the Soviet Union and the GDR.

[Dated] Vientiane, 17 March 1987.

#### OBSTACLES TO RELATIONS WITH THAILAND CITED

BK150455 Vientiane Domestic Service in Lao 1200 GMT 14 Mar 87

[Unattributed commentary: "Obstacles to the Restoration of Lao-Thai Relations Must Be Eliminated"]

[Text] Respected listeners, the improvement and normalization of Lao-Thai relations will be beneficial to the peoples of the two countries and will help consolidate peace and ease tension in this part of the world. For the sake of the aforesaid benefits of the peoples of the two countries and in the interest of peace, the LPDR Government has taken an initiative in proposing that the Thai side hold consultations to seek means to settle problems of obstacles to the restoration of the bilateral relations so as to quickly normalize them. The decision of the LPDR Government is inviting Arun Phanuphong, adviser to His Excellency Prime Minister Prem Tinsulanon, to pay a visit to Laos in late November 1986 truly showed its good intentions of improving and normalizing Lao-Thai relations. This policy of the LPDR Government serves the interests of the two peoples of Laos and Thailand and conforms with the trend of peace in this region.

Following the meeting between the delegations of Laos and Thailand late last January, Lao-Thai relations have been improved in a beneficial way. This has been shown through the more frequent and convenient exchanges of visits between the peoples of the two countries and through the gradual expansion of the trading activities between the two peoples living along both sides of the Mekong River.

This development has greatly satisfied the people as well as traders of Thailand, particularly those in the northeast. The Thai people and traders have vigorously supported this development. Friends, near and far, as well as progressive public opinion throughout the world have also expressed great support for it. But, this development has caused the ultrarightist reactionaries in Thailand to be resentful, because the improvement of Lao-Thai relations has created an obstruction to their interests and to their strategic plot to keep the relations between the two countries cool forever.

For this reason, the ultrarightist reactionaries in Thailand have taken advantage of this favorable situation to sabotage Lao-Thai relations through various means.

First and foremost, they have mobilized their lackeys and exiled Lao people, whom they have trained and fostered on Thai soil, to infiltrate into Laos to carry out sabotage and subversive activities, in particular in the capital of Laos and along the coastal areas of the Mekong River bordering Thailand. These people have been sent to Laos to plant bombs in public places, hunt for news, and intercept and fire at vehicles travelling along the roads. Moreover, they have occasionally conducted armed provocations along the Mekong River.

While secretly carrying out sabotage, the ultrarightists in Thailand have even made use of a number of personnel responsible in state services to carry out deceitful slanderous propaganda, slandering Laos by cooking up fraudulent evidence. For example, they have accused Laos of providing assistance to the Thai revolutionary movement, building the so-called training camps for the Thai revolutionary movement on Lao soil, and sending men to infiltrate into Thailand to carry out activities to collect information. Moreover, they have even charged Laos with sending narcotics to Thailand. All these are aimed at covering up their hostile acts against Laos and covering up their evil intentions of spoiling the daily improved atmosphere of Lao-Thai relations.

The ultrarightists in Thailand have stepped up sabotage against Laos at the time when Lao-Thai relations have been gradually improving and when the two sides are making preparations for a visit to Laos by high-ranking Thai officials and for a visit to Thailand by high-ranking Lao officials. There is, therefore, no doubt that the acts of the Thai ultrarightist group are aimed at creating problems so as to diminish the purposes of the exchange visits between the two sides with a view to delaying and further cooling the establishment of the good relations between the two countries.

The Lao people, who have experienced more than 3 decades of war, have well understood the value of peace. Peace, friendship, and socialism are the basic foreign policy of the LPDR. This is why the LPDR has always regarded Thailand as a neighboring, friendly country which shares more than 1,600 km of common border. The peoples of the two countries have maintained good fraternal relations since ancient times. The two people have earnestly desired to coexist peacefully and to maintain friendship in opposition to the absurd and brutal schemes of the Thai ultrarightists reactionaries who have colluded with the imperialists and international reactionaries in creating grudges and dissension among nations, thus sabotaging the traditional friendship between the Lao and Thai peoples. All the acts of the minority group of people in Thailand run counter to the just aspirations of the peoples of Laos and Thailand and therefore, they will certainly be defeated. Such selfish acts of the Thai ultrarightists and acts of placing their own prestige above that of others -- acts which are not constructive -- have harmed the common interests of the Lao and Thai peoples. The obstacles to the restoration of Lao-Thai relations as created by the ultrarightist group in Thailand will undoubtedly be eliminated by the Thai people.

#### CULTURAL DELEGATION RETURNS FROM SOVIET UNION

BK130959 Vientiane KPL in English 0911 GMT 12 Mar 87

[Text] Vientiane, March 12 (KPL) -- A delegation of the Ministry of Culture led by its Minister Thongsing Thammavong, who is also member of a working visit to the Soviet Union.

During its stay there, the Lao delegation signed a protocol on cultural cooperation for 1987. According to the document, the two sides are to organize photo exhibitions, and the Soviet side will provide instruction for Lao acrobats, and send Soviet artistic troupes on performance tours in Vientiane.

CUBAN MEDALS CONFERRED ON SENIOR LPA LEADERS

BK151031 Vientiane Domestic Service in Lao 0500 GMT 14 Mar 87

[Text] On the afternoon of 13 March, a ceremony was held at the Embassy of the Republic of Cuba in Laos to present medals to senior leaders of the LPA on the occasion of the 30th anniversary of the Cuban Revolutionary Armed Forces in accordance with a decree issued by the Cuban State Council.

Ten senior LPA leaders received the medals. They were Comrade Major General Choummali Sai-gnason, alternate member of the LPRP Central Committee Political Bureau and first deputy minister of national defense; Comrade Maj Gen Osakan Thammatheva, member of the party Central Committee, deputy minister of national defense, and chief of the Army General Political Department; Comrade Maj Gen Nakhon Sisounon, member of the party Central Committee, deputy minister of national defense and chief of the Army General Logistics Department; Comrade Maj Gen Khampha Chaleunphonmisai, member of the party Central Committee, deputy minister of national defense, and commander of the 1st Military Region; Comrade Lieutenant General Somsak Saisongkham, deputy minister of national defense; Comrade Maj Gen Ai Souli-gnaseng, member of the party Central Committee and chief of the Army General Staff Department; Comrade Brigadier General Thonglai Kommasit, member of the party Central Committee and first deputy chief of the Army General Political Department; Comrade Brig Gen Siangsom Kounlavong, member of the party Central Committee; Comrade Brig Gen Savai Sai-gnasena, chief of the Office of the National Defense Ministry; and Comrade Brig Gen Bounthan Sitvilaphon, deputy chief of the Army General Staff Department.

Comrade Mario Garcia Vazquez, Cuban ambassador extraordinary and plenipotentiary to Laos made a speech on the occasion. He said in part:

With joy and happiness we are holding this ceremony to present victory medals to commemorate the 30th anniversary of the Cuban Armed Forces. On 13 March 30 years ago, Cuban revolutionary armed units launched attacks in Havana. Many comrades honorably sacrificed their lives and blood. It is also on this date that the Cuban leadership approved the presentation of medals to the high-ranking leaders of the LPA.

On behalf of the party, state, and Ministry of Revolutionary Armed Forces, and in my own name, I wish to extend warm congratulations to the comrades who have received the medals today and, through you, to the heroic Lao people.

The Lieutenant Colonel [name indistinct], Cuban military attache to Laos, read the decree of the Cuban State Council and presented the medals to the LPA leaders.

On behalf of LPA leaders, Maj Gen Choummali Sai-gnason expressed thanks. He said in part:

With joy and happiness marked by deep fraternal friendship, I wish to express deep thanks on behalf of LPA cadres and combatants to the party, government, armed forces, and fraternal people of Cuba for always standing on the side of and supporting, assisting, and encouraging the LPA. We pledge to do our best to contribute to strengthening the existing friendship and militant solidarity between the two countries and armies.

Also present at the presentation ceremony were Comrade Khambou Sounisai, member of the party Central Committee, chairman of the Administrative Committee of Vientiane municipality, and chairman of the Laos-Cuba Friendship Association, and some deputy ministers.



PHOUMI VONGVICHIT MEETS OUTGOING AUSTRALIAN ENVOY

BK171115 Vientiane KPL in English 0909 GMT 17 Mar 87

[Text] Vientiane, March 17 (KPL) -- Phoumi Vongvichit, acting-president of the republic, vice-chairman of the Council of Ministers, received here yesterday Australian ambassador John Bruce Campbell who is sending his diplomatic mission to the Lao PDR.

P. Vongvichit hailed J.B. Campbell's contributions to the strengthening of Lao-Australian relations. He expressed thanks to the government and people of Australia for their assistance to the Lao PDR.

SISAVAT KEBOUNPHAN ADDRESSES DISTRICT CONFERENCE

BK171117 Vientiane KPL in English 0911 GMT 17 Mar 87

[Text] Vientiane, March 17 (KPL) -- Sisavat Keobounphan, politburo member of the LPRP CC, secretary of the party CC and secretary of the Vientiane party committee, on March 13, talked to the annual conference of Sikhottabong District, Vientiane, which was convened to review its activities last year.

S. Keobounphan asked all cadres to strive to improve the management and production of the cooperatives through a rational division of labor and the raising of productivity. He also spoke of the guideline for the improvement of the living conditions of the people.

FAMILIES MOVE TO NEW FARMLAND IN VIENTIANE PROVINCE

BK170511 Vientiane Domestic Service in Lao 1400 GMT 15 Mar 87

[Text] Since early this year, realizing that the wanton burning of forests for shifting cultivation was seriously wasting national resources, more than 1,000 families of various tribes in Phonhong District have moved to the economic zone set aside by the district administration to grow rice. In the initial stage, each family is allocated (72 hectares) of land. At present, the district administration has sent tractors to help them clear land for the coming bumper crops season and has furnished them some necessary farm tools. This is the result of the close attention and constant encouragement given by the [Vientiane] provincial party and administrative committees and the district party and administrative committees plus the willingness of the people to volunteer to move to new land, particularly following the conclusion of the fourth party congress.

**PRIME MINISTER PREM PAYS OFFICIAL VISIT TO UK**

For coverage of Prime Minister Prem Tinsulanon's official visit to the UK, including his address to the UK Chamber of Commerce and his meeting with British Prime Minister Margaret Thatcher, see the United Kingdom section of the 16 March Western Europe DAILY REPORT and subsequent issues.

**FOREIGN MINISTRY PROTESTS FISHERMEN HELD BY SRV**

BK160930 Bangkok Domestic Service in English 0000 GMT 16 Mar 87

[Text] The Foreign Ministry is trying to secure the release of another 19 Thai fishermen being held in Vietnam for allegedly encroaching on Vietnamese territorial waters. Director of the Foreign Ministry's Office for Protection of Thai Nationals Abroad Saksit Sison says the fishermen are crew members of two Songkhla-based trawlers. He says that the ministry expects to know the result of the efforts within the next 2 weeks.

As for another 17 Thai fishermen who were held in Vietnam between 1981 and 1982, Mr Saksit says the ministry is collecting some information on the possible repatriation of the fishermen. He did not say whether fines will have to be paid for their freedom. In the past, Vietnam demanded a fine for each Thai fisherman it released.

Further on Jailing

BK170149 Bangkok BANGKOK POST in English 17 Mar 87 p 4

[Text] Thailand yesterday protested against Vietnam's arrest and imprisonment of Thai fishermen, some of whom have been jailed for almost ten years without the Thai Foreign Ministry or the Thai Embassy in Hanoi being notified.

A protest note was handed over to Vietnamese Ambassador Le Mai yesterday, citing the case of seven Thai fishermen who were arrested on May 12, 1980, but whose imprisonment was made known to the Thai Embassy in Hanoi only recently when they were about to be freed.

The Foreign Ministry said that out of the 466 fishermen released by Vietnam last December, 32 had spent from five to seven years in prison, including two Thai who were jailed for four years after they ventured into Vietnamese waters to hunt for treasure with their American and British employers.

Vietnam's actions against Thai fishermen were unreasonable and were not based on humanitarian principles, the Foreign Ministry said. It added that such practices by Hanoi were not conducive to the promotion of bilateral relations and did not correspond with statements by Vietnamese leaders that they wanted to improve relations with Thailand.

Citing the rights stipulated in the Vienna Convention on consular relations, the Foreign Ministry insisted that Thai embassy officials in Hanoi had the right to visit Thai citizens jailed in Vietnam.

Meanwhile, Thailand yesterday presented a cheque of \$17,000 to Ambassador Le Mai as fines in exchange for the freedom of 17 fishermen arrested by Vietnamese officials last March.

The 17 men and two others who were captured in November 1985 will be released this Thursday.

SRV TALKS OFFER 'NOTHING NEW' SAYS SPOKESMAN

BK140041 Bangkok THE NATION in English 14 Mar 87 p 3

[Text] The Foreign Ministry yesterday said that Vietnam's offer to hold talks with China and ASEAN on Kampuchea "has nothing new."

Somphan Kokilanon, the ministry's deputy spokesman, said that Vietnam was simply floating the idea, which Hanoi had done several times before in the past.

Vietnam knows fully well that China and ASEAN will not take the bait, he said.

China and ASEAN will not recognize the Vietnamese-backed Heng Samrin government in Phnom Penh, he said.

He said one obvious thing is that the Soviet Union wants to end the Kampuchean problem and "now is looking for ways to get out of this quagmire."

Foreign Minister Sitthi Sawetsila will discuss the Kampuchean problem and outstanding bilateral issues with the Soviet leaders in Moscow on May 10-14.

DAILY COMMENTS ON SRV-USSR JOINT STATEMENT

BK160149 Bangkok THE NATION in English 16 Mar 87 p 4

[Editorial: "Communique Is Vague on Soviet Aid, Kampuchea"]

[Text] Soviet Foreign Minister Eduard Shevardnadze concluded his extended trip to Southeast Asia and Australia and the highlight to his trip, which concluded Friday, was the Soviet-Vietnam joint communique that was issued in Hanoi. The communique was surprisingly lacking in substance but was spattered with red herrings -- intermediate range missiles in Europe, Japan's "militarism", Strategic Defence Initiative, naval forces in the Indian Ocean, etc -- which had relatively little to do with this region.

Of course we had expected no dramatic announcement about a breakthrough in solving the Kampuchean problem but we did expect something which was very conspicuous by its absence -- Soviet economic aid to Vietnam. The sixth Vietnamese Communist Party Congress in December had concluded that the country is going bankrupt and Truong Chinh was replaced by Nguyen Van Linh as the head of the Politburo and the whole lineup was changed in order to emphasize economic development.

The same overriding factor, economics, was responsible for the new lineup of the government also but there was no mention of Soviet aid being discussed between Shevardnadze and the Vietnamese leaders during his visit there and there was nothing in the communique about that. From this it can be concluded that the joint communique was nothing but a rambling statement of generalities. Will the Soviet aid be increased, decreased, or remain at the same level after the revamping of the party and the government in Vietnam? The communique revealed nothing.



However, we cannot believe that it was not discussed. Moscow has to keep Vietnam at the subsistence level because she had deep interests there -- the military bases of Cam Ranh Bay and Da Nang. So just as the economic future of Vietnam must have been privately discussed, we have to take it for granted that the Kampuchean issue will also have been discussed in private. We are conscious of the fact that Shevardnadze cannot come out openly and say he does not back the Vietnamese occupation of Kampuchea or that he is pressuring them to withdraw.

"The two sides," the communique said, "firmly believe that an early solution to the situation regarding Kampuchea will speed up the purification of the atmosphere in Southeast Asia." We have to say honestly that we do not understand what is meant by "purification". The reference to Hanoi's talks with ASEAN and China is old hat and it is unnecessary to read any meaning into that.

Just like Vietnamese economy, we believe that the Kampuchean conflict was discussed and it is only natural that any agreement or disagreement will not be revealed in a land communique. We believe that Shevardnadze did take some initiatives and results will slowly trickle out of Vietnam at the proper time.

#### LAOS ASKS FOR TOTAL STRATEGIC GOODS BAN LIFT

BK170224 Bangkok THE NATION in English 17 Mar 87 p 17

[Excerpt] The volume of border trade between Thailand and Laos is expected to increase further with Thailand taking a more liberal stance as there is a distinct possibility that the number of strategic goods banned for exports to the neighbouring country may be reduced from 61 to zero, depending on the state of political relations.

Commenting on the call by Laotian ambassador to Thailand Kamphan Simmalavong asking Thailand to cut the number of strategic goods in the list from the present 61 items to zero, Interior Permanent Secretary Phisan Munlasatsathon said yesterday that there is a distinct possibility for such a drastic reduction.

He said that Thailand, however, has already cut the number of strategic goods to only 61 items from the previous 273 banned for sales to Laos. "A further reduction even to zero is possible so is even an increase in the number of banned items. This will depend on the state of political relations," the permanent secretary said.

Phisan said currently trade talks with Laos are being held at two levels -- the local and national levels. "Negotiations have made progress and the two countries have maintained at all time," he said.

He said that goods which are mostly traded at the Thai-Lao border are mostly consumer items such as garments, and jungle products. He said that the volume of border trade amounts to several hundred million baht annually.

He said that apart from negotiations with Laos, Thailand also holds talks on the border trade issue with other neighbouring countries such as Burma and Malaysia. [passage omitted]

NGUYEN CO THACH MEETS WITH SHEVARDNADZE 11 MAR

BK111255 Hanoi Domestic Service in Vietnamese 1100 GMT 11 Mar 87

[Text] According to VNA, Comrade Shevardnadze, member of the CPSU Central Committee Political Bureau and foreign minister of the Soviet Union, arrived in Hanoi at 1200 today on an official friendship visit to Vietnam at the invitation of the CPV Central Committee and the SRV Government.

Comrade Shevardnadze was warmly welcomed at the government's guesthouse by Comrades Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers; Nguyen Co Thach, member of the CPV Central Committee Political Bureau and minister of the foreign affairs; Dong Sy Nguyen, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers; Nguyen Khanh, secretary of the CPV Central Committee and vice chairman of the Council of Ministers; Doan Duy Thanh, vice chairman of the Council of Ministers and minister of foreign trade; Hoang Bich Son, member of the CPV Central Committee and head of the Party Central Committee's Foreign Relations Department; and Dinh Nho Liem, member of the CPV Central Committee and SRV ambassador to the Soviet Union.

Also present was Comrade Kachin, member of the CPSU Central Committee and Soviet ambassador to Vietnam.

Also on 11 March, Vietnamese Foreign Minister Nguyen Co Thach held talks with his Soviet counterpart Shevardnadze. Also present were Comrades Hoang Bich Son, Dinh Nho Liem, and Soviet Ambassador to Vietnam Kachin.

The two ministers informed each other of the resolution of the Sixth CPV Congress and of the 27th CPSU Congress. Both sides noted with deep pleasure the increasingly consolidated, developed, and comprehensive cooperation between Vietnam and the Soviet Union and unanimously held that in the new stage, it is necessary to exploit great capabilities to improve the efficiency of cooperations in light of the resolutions of the 27th CPSU Congress and the Sixth CPV Congress.

The two ministers exchanged views on international and regional issues. The Vietnamese side declared its full support for the important new Soviet peace initiatives, especially the 28 February statement by Comrade Gorbachev on the question of medium-range missiles. These great peace initiatives have taken the Soviet Union's foreign policy of peace to a historic new height.

When exchanging views on the Asian and Pacific situation, the sides asserted their determination to join with various peace and progressive forces in strenuously struggling to consolidate peace, security, and cooperation in this vast part of the world. The two sides unanimously held that the normalization and improvement of Sino-Vietnamese relations and Sino-Soviet relations will constitute a major contribution to purifying the situation in the Asian-Pacific region. The Soviet side affirmed its strong support for the consolidation of the close and firm alliance of the three Indochinese countries and hailed efforts made by Vietnam, Laos, and Cambodia to promote dialogue with the ASEAN states to turn Southeast Asia into a zone of peace, stability, and cooperation.

Foreign Minister Shevardnadze invited his Vietnamese counterpart to pay an official visit to the Soviet Union. The invitation was accepted with thanks by the Vietnamese side.

The talks took place in an atmosphere filled with friendship, trust, and total identity of views.

RADIO CARRIES SHEVARDNADZE NHAN DAN INTERVIEW

BK161545 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Mar 87

[Text] Dear friends, on the occasion of his official friendship visit to our country, Comrade Shevardnadze, CPSU Central Committee Politburo member and Soviet foreign minister, granted an interview to the paper NHAN DAN on the present international situation, the prospects for the struggle for peace and security in Asia and the Pacific, and the Soviet-Vietnamese relations at present. Following are the questions and answers:

Question: The world public can see clearly that at a time when the Soviet Union is tirelessly carrying out the struggle for peace and continuously putting forth many important peace initiatives, the Reagan administration is continuing to act in a way that runs counter to the aspirations of various nations. Would the comrade minister please express some views on the basic points of the present international situation?

Answer: You, comrade, are totally right when you say that actions by the Washington administration run counter to the aspirations of various nations, and I am pleased that your question puts the right emphasis on the present situation in the world.

In my opinion, the important thing in politics is to look beyond what is taking place at the present to discover developing trends and to judge which trends will have an increasing effect on the political system. In this respect, I think that the role of military strength in international relations is the most interesting issue.

Irreversible changes have taken place in the world. However, some politicians continue to live with old conceptions, including the conception of strength and arms as an omnipotent means to solve all problems, be they regional, geographical, or political problems. This fact -- which was argued by Comrade Mikhail Sergeyevich Gorbachev at the recent Moscow seminar for a nuclear-free world and for the survival of mankind -- has led to the realistic policies of many countries.

The effort to obstinately cling to strength and war adversely affects the internal situation of these countries as well as the international situation in general.

In every generation, politicians and state activists have to face the legacies left by their predecessors. There are legacies which many people, including ourselves, want to renounce but find it difficult to do so. However, it is necessary to renounce these legacies.

One major issue that involves us is nuclear weapons and our attitude toward these weapons. I suppose that it is the Washington administration which currently places boundless confidence in the invincible strength of weapons and the policy of using force.

Various modern technology -- the crystallization of brilliant intellect and talent -- are being applied to the military production and have become a type of weapon that surpasses all types of weapons in the past.

All this is taking place under the influence of yesterday's political thinking. This thinking came into being from time immemorial, perhaps at the time when prehistoric man began to understand that strength and weapons could either protect him from another barbarian or ensure his victory. Afterward, this philosophy became the ideology of strong sociopolitical trends and systems.



Thus, since its birth, imperialism has relied on military strength and is inclined to use violent methods to protect and expand its political, ideological, and economic interests. Even now, imperialism is still attempting to act according to the motto: Might needs no mind. No. In today's political world, it is mind, reason, and talent that should have the upper hand in international affairs and should seek solutions to situations which some people wish to settle by means of military strength despite the fact that they have no hope for success.

In my opinion, it would be wrong to think that as long as imperialism still worships strength, nothing will ever change if imperialism continues to exist. However, the problem is this: first, the nature of the world itself has changed. Scores of independent and sovereign countries have become active and authoritative participants in the international dialogue that creates a new sociopolitical atmosphere. And the socialist world is having an ever greater influence on this atmosphere. It has rejected strength as a political mean and stand for disarmament. Second, with the appearance of nuclear weapons and missiles, an absolute obstacle has appeared for the first time in history on the road to using strength. This is because self-consciousness cannot be a rational factor of politics. Third, the economic consequences of the arms race have strongly increased at an unacceptable rate.

To prove this point, we need only to consider what is happening to a strong economy, such as that of the United States. Washington's militarist policy coupled with the stockpiling of weapons advocated by President Reagan has caused extremely acute socioeconomic problems to the United States itself. Against this backdrop, even in the West, people have begun to ponder the consequences of the insane arms race. They have also come to understand that this race is threatening their own interests as well as their survival. As Comrade Gorbachev has emphasized, a new way of thinking has become a necessity. That is why the American side had to discuss with us the question of eliminating nuclear weapons. For the time being, the United States has not yet fully realized the importance of this issue because it still hopes to draw a trump card of strength through the Star Wars program. It would be hasty and baseless to say that imperialism will give up the arms race and renounce its reliance on strength. But we also have sufficient confidence to judge the effort to narrow in an objective fashion and on an ever larger scale the limits of the use of strength and the policy of force. A world without nuclear weapons is a reality; a world without chemical weapons is also a reality; the gradual reduction of the level of military opposition on the worldwide, as well as regional scale, is also a reality. This is the basis for the conclusion drawn by Comrade Gorbachev in the political report he read at the 27th Congress of the CPSU that the only measure capable of ensuring a real and lasting security for all people is to build a comprehensive system of international security, that, to us, peace is a priority of the highest order, and peaceful coexistence among countries is the general principle of relations among nations. And we are acting in line with these concepts — the concepts of a necessary formula for behavior in life in the era of a nuclear cosmos — in all directions, be they the direction of eliminating medium-range missiles in Europe or the direction of creating the premises for the withdrawal of Soviet troops from Afghanistan.

On the subject of Afghanistan, we can see clearly that the policy of national concord is capable of defeating the policy of national conflict. At present, there is a view of the world based on mankind's confidence and mind. That is our view, and we will not change it.

Question: The statement of Comrade Gorbachev in Vladivostok and the New Delhi declaration were warmly welcomed and supported by world opinion, especially among the people in various Asia-Pacific countries. Would the Comrade Minister please comment on the prospects of the struggle for peace and security in the Asia-Pacific region?

**Answer:** Before coming to Hanoi, I went to Thailand, Australia, Indonesia, Laos, and Cambodia. In Bangkok, Canberra, and Jakarta we noted the great attention given to the views put forth by Mikhail Sergeyevich Gorbachev in Vladivostok. As for our views, they are identical with those of our Lao and Cambodian friends. I can say that the willingness to give active support to the realization of the security doctrine in the Asia-Pacific region is based on awareness of political realities.

I would like to lay special emphasis of the fact that the SRV is playing a role influencing the issues concerning the consolidation of security in Asia, and in fact not in Asia alone, and that Vietnam has carried out a persistent struggle for all countries in the region to be guaranteed of every equal and legitimate condition for their sovereign and independent development. This is because all countries in this region once faced colonialist exploitation, the consequences of which still influence the life of many nations and restrain their progress. It is the Indochinese countries that suffered the most from the criminal actions of imperialism. That is why they have the spiritual right to become fighters struggling for justice.

We have thoroughly informed the comrade leaders of fraternal Vietnam of our exchanges of views and there was a useful exchange of views on the issues of security and cooperation in the Pacific and Indian Ocean region. Concerning the situation in Indochina and the settlement of the Cambodia issue, we have unanimously agreed on our assessment and analysis of the situation. We have paid much attention to holding constructive discussions on the most promising solutions to the difficult problems in the region. I believe that this exchange of views will help achieve a closer coordination of action between our two countries in promoting the views put forth by Comrade Gorbachev in Vladivostok and the views supported and approved by the Vietnamese leadership. We know that socialist Vietnam has also done a great deal of work to implement the proposal to establish a region of peace, stability, and cooperation in Southeast Asia. The most important factor here is the unanimity of views of the three Indochinese countries and their readiness to enter into a dialogue with the ASEAN countries, China, and all other parties concerned. The prospects for purifying the political atmosphere in Asia and the Pacific region will depend to no small extent on the effectiveness of the activities in this direction of all peace-loving forces and their ability to strengthen confidence and to prove that all countries in the region will benefit if their security is guaranteed.

**Question:** The Communist Party and government of Vietnam always consider solidarity with the Soviet Union as the cornerstone of their policy. The Vietnamese understand that friendship and cooperation with the Soviet Union have a great significance, and they are inspired by every new step of development in these relations. Would the Comrade Minister please let us know what you think of Soviet-Vietnamese relations at the present stage?

**Answer:** To the Soviet people, Vietnam is a fraternal country and, spiritually, the Vietnamese people are their dear and close friends. The image of your country is one of the most distinct pictures borne in our minds and hearts. There are multifaceted and diversified relations between our two peoples and countries. The leaders of our two countries regularly hold practical dialogues and entertain open-minded and reliable comradely relations. Comrade Gorbachev always maintains close relations with your party and state leaders.

Not long ago, Comrade Ligachev made a trip to Vietnam to attend the Sixth CPV Congress. On this occasion, he also thoroughly exchanged views with Comrade Nguyen Van Linh and visited the country and many projects.

My recent meeting with the comrade general secretary of the CPV Central Committee has deeply impressed me. We have questions that need to be discussed at the present stage of development of our two countries.



We are looking forward to a visit to Moscow by a Vietnamese party and government delegation led by Comrade Nguyen Van Linh. And my counterpart Comrade Nguyen Co Thach will also visit the Soviet Union. I have extended my invitation to him during this visit.

The CPSU and the Soviet Government will continue to give priority to their relations with the CPV and the SRV. When speaking of positive respects, we should, in the spirit of self-criticism, also note that many potentialities and capabilities in our economic cooperation have not yet been tapped. For instance, our scientific and technological cooperation might be better and more effective. The plan for setting up more joint ventures, however big or small, is also promising provided they show tremendous vitality and work with efficiency. Efficiency is above everything.

We will return home in good spirits. Our spirit of optimism has further been increased and consolidated thanks to the results of this visit.

On this occasion, through your paper NHAN DAN, I would like to convey to all the citizens of fraternal Vietnam my sincere and warm greetings. May I wish you, friends, peace and prosperity.

#### NGUYEN VAN LINH RECEIVES GDR FOREIGN MINISTER 11 MAR

BK111501 Hanoi Domestic Service in Vietnamese 1100 GMT 11 Mar 87

[Text] On 11 March 1987, during a reception for Comrade Oskar Fischer, member of the Socialist Unity Party of Germany Central Committee and foreign minister of the GDR, at the government guesthouse, Comrade Nguyen Van Linh, general secretary of the CPV Central Committee, warmly hailed the official friendly visit to Vietnam paid by the minister at a very important moment after the Vietnamese communists had successfully held their sixth party congress. He called it a vivid manifestation of the further tightened relations of longstanding friendship and solidarity between the two parties and peoples.

The comrade general secretary highly appreciated the results achieved during the talks in Hanoi between the foreign ministers of Vietnam and the GDR. The identity of views on issues of epochal character raised at the talks is an important factor increasing the strength and the relationship of multifarious cooperation between Vietnam and the GDR. This is in the interests of the peoples of each country and other countries of the socialist community and positively contributes to the world peoples' struggle for peace, national independence, democracy, and socialism.

After dealing with the international and regional situation, Comrade Nguyen Van Linh once again affirmed the Vietnamese people's total support for the Soviet Union's good-willed and principled peace initiatives put forward by Comrade General Secretary Mikhail Sergeyevich Gorbachev and their pledge to do their best to join peoples of the GDR and other fraternal socialist countries in making positive contributions to the struggle against the nuclear arms race of U.S.-led imperialism for the defense of peace and security in Asia, Europe, and the rest of the world. The comrade general secretary sincerely thanked the party, state, and people of the GDR for having accorded the Vietnamese people's revolutionary cause warm and valuable assistance in the past as well as at present.



Minister Oskar Fischer respectfully handed over Comrade General Secretary Erich Honecker's letter to Comrade General Secretary Nguyen Van Linh, expressing pleasure at the fine development of the friendly relationship and cooperation between the two parties and peoples of the GDR and Vietnam and hoping for further strengthening of relations in various fields on the basis of the GDR-Vietnam treaty of friendship and cooperation.

Minister Oskar Fischer stressed: In the past, at present, and in the future, the people of the GDR will closely unite with and always stand beside the Vietnamese people and will strongly support their revolutionary struggle, considering it their sacred internationalist obligation. GDR Ambassador to Vietnam Joachim Loeschner was present at the reception.

#### NHAN DAN ON SUCCESS OF GDR FOREIGN MINISTER'S VISIT

BK130633 Hanoi International Service in English 1000 GMT 12 Mar 87

[Text] The Vietnamese national daily NHAN DAN on Thursday [March 12] carried a commentary hailing the success of a recent official friendly visit to Vietnam by Oskar Fischer, member of the Socialist Unity Party of Germany Central Committee and foreign minister of the GDR. The paper said:

The visit is a new expression of the fraternal friendship, military solidarity, and ever broader cooperation between the parties, states, and peoples of Vietnam and the GDR. During the talks and cordial meetings and exchanges of views between Mr Oskar Fischer and Vietnamese party and state leaders, the two sides were unanimous on the question of the relations between the two countries and international issues of mutual concern. Proceeding from the close relationship between the two parties and two fraternal countries, which has been built on the basis of Marxism-Leninism and socialist internationalism, the two sides reaffirmed the solidarity, cooperation, and mutual assistance in successfully implementing the resolutions of their party congresses, actively contributing to the cause of maintaining peace and international security.

The GDR has always shown its profound sympathy with the Vietnamese people in their struggle full of hardship and sacrifices for national liberation and their efforts to overcome the heavy consequences of the 30-year-long war. The GDR has given warm support for the initiatives of Vietnam, Laos, and Kampuchea to solve issues relating to the region through peaceful means and making Southeast Asia a region of peace, stability, and cooperation.

Vietnam hails the brilliant achievements recorded by the GDR in socialist construction and national defense and acclaims the peace proposals and initiatives advanced by some European countries, including the GDR, to establish a region free from chemical weapons and a corridor along Central Europe free of nuclear weapons.

NHAN DAN continued: With a fine tradition of friendship and solidarity, Vietnam and the GDR expressed their desire to develop their relations in many fields, particularly the economic, scientific, technological, and cultural cooperation, based on the Treaty of Friendship and Cooperation between the two countries signed in December 1977. Bilateral and multilateral cooperation within the CEMA framework has increased the strength of each member country and the socialist community as a whole. GDR Foreign Minister Oskar Fischer's activities during his stay in Vietnam, especially his talks and meetings with Vietnamese leaders, have opened up new prospects in these fields.

In face of the tense and complicated world situation caused by the imperialists and international reactionary forces, once again, Vietnam and the GDR expressed their warm appreciation and unanimity with the Soviet peace initiatives and its high sense of responsibility, including the proposal put forth by Party General Secretary Mikhail Gorbachev in Vladivostok on the settlement of issues in the Asia-Pacific region in his 28 February statement on the elimination of medium-range missiles in Europe.

The two sides affirmed that they will side with the Soviet Union and other socialist countries and coordinate actions to increase the strength of socialism and, together with peace-loving forces, resolutely struggle to ward off the danger of nuclear extermination to safeguard peace and security in the region and the rest of the world.

In conclusion, the paper said: The fine success of the official friendly visit to Vietnam by GDR Foreign Minister Oskar Fischer is of important significance in encouraging the Vietnamese people to overcome all difficulties and successfully implement the Sixth CPV Congress resolution. It also contributes to consolidating and strengthening the friendship, solidarity, and cooperation between the two parties and states in the interests of the peoples of the two countries, socialism, and world peace and security.

#### TRAN QUANG CO SPEAKS AT NONALIGNED MEETING

OW141628 Hanoi VNA in English 1452 GMT 14 Mar 87

[Text] Hanoi VNA March 14 -- At the ministerial meeting of the non-aligned countries' coordinating bureau in Georgetown, Guyana, Tran Quang Co, vice foreign minister and head of the Vietnamese delegation, reaffirmed Vietnam's solidarity with the just struggle of Nicaragua and other countries in Latin America.

He said that to do away with the old world economic order and build a new equitable and reasonable world economic order are an urgent struggle for the complete elimination of the current economic tension in the region and elsewhere in the world.

He pointed out that the fight for national independence and a new world economic order is inseparable from the struggle for peace and disarmament in the world.

"The only way to avert the tinderbox state in Central America and the Caribbean is to solve all disputes through negotiations on the basis of ensuring the legitimate national rights of the nations", the Vietnamese head delegate stressed.

He voiced full support for the eight-point proposal put forth by the Nicaraguan Government on January 19, 1987, describing it as a practical and reasonable solution compatible with the principles and the objectives of the Non-Aligned Movement. He acclaimed the efforts of the Contadora Group for an equitable and reasonable political solution to the burning question in the region.

REPRESENTATIVE SPEAKS AT UN HUMAN RIGHTS MEETING

OW141626 Hanoi VNA in English 1449 GMT 14 Mar 87

[Text] Hanoi VNA March 14 -- "The right to life, the most basic right of a human being, is threatened by forces of aggression and exploitation, particularly the United States", said Le Dinh Can, Vietnamese representative at a recent meeting of the United Nations Commission for Human Rights in Geneva.

Condemning the racist actions in Namibia and South Africa, the undeclared war launched by the mercenary troops in Afghanistan, the genocidal crimes of the Pol Pot regime, and the policies of menace, sabotage and interference against Cuba and other sovereign countries, Le Dinh Can pointed out that the U.S. imperialists were either direct or indirect authors of these violations of human rights.

Le Dinh Can said that the representative of the so-called "Democratic Kampuchea" had been trying to discredit Vietnam. But his groundless allegations could not whitewash the extremely brutal killing of millions of innocent Kampucheans conducted by the Pol Pot clique.

ECONOMIC COOPERATION ACCORD SIGNED WITH LAOS

OW140725 Hanoi VNA in English 0712 GMT 14 Mar 87

[Text] Hanoi VNA March 13 -- A memorandum on cooperation forest exploitation and wood processing was signed in Vientiane yesterday by senior officials of Laos's Ministry of Agriculture, Forestry, Irrigation and Cooperatives, and Hanoi, the capital city of Vietnam.

An agreement on economic cooperation between the Vietnamese province of Ha Nam Ninh and its Lao twinned province of Oudomsay [name as received] for the 1987-1990 period was signed recently in Ha Nam Ninh.

The signing was made during a visit to the province by an Oudomsay Province delegation led by Sompheng Keobounhouan, member of the Lao People's Revolutionary Party Central Committee and secretary of the provincial party committee.

ECONOMIC SESSION WITH BULGARIA ENDS 15 MAR

AU151703 Sofia BTA in English 1551 GMT 15 Mar 87

[Text] Hanoi, March 15 (BTA correspondent) -- The 13th session of the Bulgaro-Vietnamese Commission on Economic and Techno-Scientific Cooperation ended in Hanoi today.

The two countries' delegations, headed by Mr Ognyan Doynov, chairman of the Bulgarian part of the commission, member of the Politburo of the BCP CC, deputy chairman of the Council of Ministers and chairman of the Economic Council, and Mr Nguyen Ngoc Triu, chairman of the Vietnamese part of the commission and deputy chairman of Vietnam's Council of Ministers, assessed positively the results of the bilateral cooperation following the 12th session of the commission. They outlined measures for broadening and accelerating the mutually advantageous cooperation in different fields of the economy and for improving and broadening the techno-scientific exchange.



The heads of the two delegations signed a long-term agreement on trade exchange and payments to 1990. Agreements on economic and techno-scientific cooperation, an annual protocol on trade exchange and payments for 1987 and other documents were also signed.

The Bulgarian economic delegation visited a number of enterprises in the capital and in Haiphong, Vietnam's largest sea port. The delegation visited Ho Chi Minh where it had talks with the party and administrative officials of Vietnam's largest industrial center. The Bulgarian guests also visited a Bulgaro-Vietnamese rubber plantation.

The Bulgarian delegation left Hanoi today.

#### SWEDISH MINISTER TOURS THREE PAPERWORKS

LD151855 Stockholm Domestic Service in Swedish 1545 GMT 15 Mar 87

[Text] Over the weekend, Sweden's Minister for Development Aid Lena Hjelm-Wallen has been travelling around North Vietnam to see how forestry workers at the Swedish-supported paperworks at Bai Bang are living and working. In Sweden, they have been called forced laborers and slaves; but after her tour, the minister of development aid thinks that those who discussed it in Sweden were wrong on several points:

[Begin recording] [Hjelm-Wallen] It has been oversimplified regarding the forestry workers in Vietnam, and in comparison to forestry workers on the [word indistinct] project and forestry workers in other countries.

[Kristian Andersson] There are up to 20,000 forestry workers at Bai Bang in the raw materials area. Minister for Development Aid Lena Hjelm-Wallen saw, at most, 200 of them. There are 400 forestry work brigades; the minister of foreign aid visited 3. Thus it is perhaps bold to draw too big conclusions from that short visit, with one exception, though: The question of the living and working conditions of the forestry workers is very complicated and very involved.

Minister for Development Aid Lena Hjelm-Wallen emphasized to her hosts among the Vietnamese forestry authorities that the Swedish Government has two concerns about Bai Bang: Provision of raw materials and the workers' conditions. She referred to a study by Professor Sociology Rita Liljestroem of Gothenburg, who is now going to try, with great urgency, to make the complicated situation more (?bearable). What is strange is that the new Swedish study of forestry workers' conditions is coming out now, when Sweden will be calling off its aid to Bai Bang in 1990.

The result will probably only confirm what many in Vietnam already seems to know: namely that the basic reasons for the forestry workers' problem lie in the poverty of Vietnamese society and in a stiff and ineffectual production system. Besides, the recruiting policy for the forests seems to have already changed. Forestry workers come more and more seldom from the far southern plains -- it is these who have been called forced labor in Sweden. Instead, local workers are now employed. Kristian Andersson, Bai Bang. [end recording]

**Meets Nguyen Co Thach****OW160807 Hanoi VNA in English 0732 GMT 16 Mar 87**

[Text] Hanoi VNA March 16 -- The Swedish cabinet minister in charge of international development aid, Ms Lena Hjelm-Wallen, arrived here this morning for an official visit to Vietnam as guest of Nguyen Co Thach, vice chairman of the Council of Ministers and minister for foreign affairs.

She was welcomed at the government's guest house by Nguyen Co Thach, Swedish Ambassador to Vietnam Carl Erhard Lindahl, and the head of the Hanoi-based office of the Swedish International Development Authority (SIDA), Ms Maj Britt Amer.

**USSR BUILDS FIRST GENERATOR FOR TRI AN PLANT****OW160817 Hanoi VNA in English 0720 GMT 16 Mar 87**

[Text] Hanoi VNA March 16 -- The Kharkov heavy machine plant in the Soviet Union has just completed the first generator of capacity of 110 m.w. for the Tri An hydro-electric power plant now under construction north of Ho Chi Minh City.

This is one of the four generators to be installed at the Tri An plant. It is expected to be operative later this year on the occasion of the 70th anniversary of the October Socialist Revolution.

**COL GEN NGUYEN QUYET HAILS BORDER DEFENSE FORCE****BK140935 Hanoi Domestic Service in Vietnamese 1430 GMT 13 Mar 87**

[Text] The border defense force recently held a conference to review the 1986 emulation achievements and to discuss measures to review the 1986 emulation achievements and to discuss measures to step up the 1987 tasks. As the force assigned the task of defending the sovereignty of the fatherland's border in various areas of inclement weather, the border defense force over the past years has upheld vigilance in performing well the tasks of motivating and organizing the people to fight resourcefully and courageously. Together with other forces, it has firmly defended the security of the country's border and seashore.

Colonel General Nguyen Quyet, on behalf of the Military Commission of the party Central Committee and the Defense Ministry, cited the force's achievements in building and strengthening itself and in increasing the effectiveness of its work and combat.

He stressed: At this juncture, the border defense force must thoroughly understand the renovation spirit of the sixth party congress resolution in performing its border defense task in order to gradually renovate its operational procedures and meet the new requirements and duties. The border defense task must be linked to the military and security tasks and the economic building task of the country.

GDR FOREIGN MINISTER BEGINS INDONESIA VISIT

## Arrival Reported

BK141555 Jakarta Domestic Service in Indonesian 1500 GMT 14 Mar 87

[Text] GDR Foreign Minister Oskar Fischer says holding dialogues is one of the best ways to maintain world stability and peace. At a brief press conference on his arrival at Jakarta's Halim Perdanakusumah Airport today, Fischer said that his 4-day visit to Indonesia at the invitation of Foreign Minister Mokhtar Kusumaatmaja is aimed at holding a dialogue with Indonesian leaders and improving bilateral relations.

GDR Foreign Minister Oskar Fischer and his entourage flew in aboard a special Ilyushin-62 plane. They were welcomed by Foreign Minister Mokhtar Kusumaatmaja and a number of envoys from socialist countries.

## Suharto Receives Minister

BK160900 Jakarta International Service in English 0800 GMT 16 Mar 1987

[Text] President Suharto was excited to note that relations between Indonesia and South Korea have been very good so far. The head of state described South Korea as a country with a progressive technology. These remarks were made by the president today when he received South Korean Minister of Science and Technology Yi Tae-sop who was accompanied by the South Korean ambassador in Jakarta. In the meeting, President Suharto, who was accompanied by Minister of Research and Technology Habibie, explained to his guest efforts being pursued by Indonesia in promoting the people's welfare by stages during the 5-year development plan.

Upon press questions after the meeting, Minister of Science and Technology Yi Tae-sop stated that the economic growth of South Korea last year was only 2 percent and this year it is estimated to reach 5 percent. He also said that during the meeting he conveyed a message from President Chon Tu-hwan to President Suharto.

During his stay in Indonesia, apart from having talks with his Indonesian counterpart, Minister of Research and Technology Habibie, the Korean guest will also visit the Indonesian Aircraft Industry in Bandung, West Java.

Earlier today, at the Bina Graha, Jakarta, President Suharto received visiting East German Foreign Minister Oskar Fischer. On the occasion, Minister Oskar Fischer conveyed a message of the East German head of state to President Suharto. They also discussed efforts to promote bilateral cooperation in promoting world peace and international security. When receiving the East German minister, President Suharto was accompanied by Foreign Minister Mokhtar Kusumaatmaja.

## Mokhtar Hosts Luncheon

BK161534 Jakarta Domestic Service in Indonesian 1500 GMT 16 Mar 87

[Text] Foreign Minister Mokhtar Kusumaatmaja has reiterated that world peace and security still face threats, particularly from the nuclear and conventional arms race. Speaking at a luncheon in Jakarta this afternoon in honor of GDR Foreign Minister Oskar Fischer, Minister Mokhtar said all this is taking place at a time when the international community is beset with an economic crisis.



The minister expressed the hope that huge funds earmarked for the production of various weapons could be diverted to promote the standard of living and development for the sake of the well-being of mankind. He also said that Indonesia and other ASEAN countries had taken initiatives to turn Southeast Asia into a zone of peace, freedom, and neutrality as well as a nuclear-free zone.

MERDEKA EDITORIAL LOOKS FORWARD TO GORBACHEV VISIT

BK140417 Jakarta MERDEKA in Indonesian 10 Mar 87 p 5

[Editorial: "To Enhance Mutual Understanding"]

[Text] The visit by USSR Foreign Minister Eduard Shevardnadze has basically stimulated both Indonesia and the Soviet Union to enhance mutual understanding on bilateral relations as well as international issues. The essential consensus reached during the talks between Foreign Minister Eduard Shevardnadze and Foreign Minister Mokhtar Kusumaatmaja is that the two countries will continue to improve their political consultations. This is good.

Indeed, the two countries still need further contacts to discuss various aspects to improve mutual understanding and align their views on international issues. Foreign Minister Eduard Shevardnadze has at least given an impression that the Soviet Union views Indonesia as a reliable factor in Southeast Asia.

Of course, this means that Indonesia must further broaden its initiatives to achieve the constructive development of this region and to positively contribute to regional and international stability. The responsibility and obligations embodied in such a role call for the mobilization of efforts and effective use of various avenues to give a substance to it. It is felt that both the Soviet Union and Indonesia want to improve the international climate which can ease tension and guarantee world peace. They also deem it necessary to enhance relations and intensify consultations as part of common efforts for peace.

Foreign Minister Eduard Shevardnadze has again expressed the Soviet hope that President Suharto visit the Soviet Union. Not only will this give great significance to Indonesia-Soviet relations, but it will also have a certain effect on international relations and renew a spirit of good will conducive to improving the international political climate in Southeast Asia.

President Suharto has explained factors which have prevented him from visiting the Soviet Union. General elections and subsequent political preparations for the General Session of the People's Consultative Assembly are important national political events. Under these circumstances, President Suharto in fact finds it difficult to visit Moscow.

However, the president's hope that General Secretary Mikhail Gorbachev will be able to stop over in Indonesia when the latter visits Japan in the future indicates that Indonesia appreciates the Soviet Union's vital role in resolving world issues and believes that direct contacts between the supreme leaders of the two countries will have a far-reaching effect on exchanging views on international issues as well as on overcoming political issues in Southeast Asia, including issues left over by history affecting the two countries for over two decades.

The Soviet Union should carefully examine the signal contained in Indonesia's hope that Mikhail Gorbachev visit Indonesia. This visit will have a great significance for overcoming issues hampering current relations between Indonesia and the Soviet Union. This could contribute to a basic improvement in cooperation in various fields.

EDITORIAL VIEWS RELATIONS WITH SOVIET UNION

BK141507 Jakarta THE INDONESIA TIMES in English 9 Mar 87 p 4

[Editorial: "Closer Cooperation Between Indonesia and Soviet Union"]

[Text] Soviet Foreign Minister Eduard Shevardnadze has come and gone. His four day visit to Indonesia has been warmly welcomed by both the government and people of Indonesia. Reflecting the sentiment of the people and the government, the Indonesian press has given spontaneous welcome to Foreign Minister Eduard Shevardnadze and his entourage, and wide coverage and publicity.

In his talks with his counterpart, Indonesian Foreign Minister Mokhtar Kusumaatmaja, bilateral relations between the Soviet Union and Indonesia were given more time and stress. This was good because it is a fact that our relations with the Soviet Union and other Eastern European countries are not as good as those with the United States and the Western countries.

Things need not have been this way because it had never been the intention of Indonesia to discriminate between either the West or East in our relations and in pursuing our independent, active and non-aligned foreign policy. But circumstances beyond our control had caused disparity.

Now that fresh winds of change are blowing in the Soviet Union and other Eastern European countries, Indonesia should not be slow to avail itself of the opportunity to broaden and step up its cooperation, bilateral or otherwise, with these countries.

After hours of exchanging views in an amiable and amicable atmosphere, we have the impression that the two sides have come to a deeper mutual understanding in their bilateral relations and about the problems faced by them mutually and individually.

Both sides feel that cooperation, especially economic and trade relations must be accelerated. To achieve this target, both governments must support their efforts with political will. Now that the Soviet Union under the new leadership is engaged in realising its "glasnost" policy through comprehensive structural change and democratization of Soviet society, it may be possible to deal with the Soviet Union in the matter of trade and economic cooperation, not only with the Soviet Government but also on a people-to-people basis. This was suggested by Shevardnadze in his press conference at the Soviet Embassy the day before yesterday.

Regarding upgrading economic cooperation and trade, actually the two countries already agreed in October 1985 during the visit of Soviet Deputy Prime Minister Y.P. Ryabov and formed a joint Indonesian-Soviet committee. This committee should be invigorated in its task and be entrusted to follow up the understanding already achieved during Shevardnadze's visit. The Soviet society is moving toward an open society. We must prepare ourselves from now on to widen our market in the Soviet Union and broaden our economic, technological and scientific cooperation with it. In this way, we will gain transfer of technology without harming our identity and ideology, just the way we are doing with the Western countries.

Regarding regional issues, we are impressed by the determination of the two countries to help each other and cooperate in the effort to solve the Kampuchean problem politically, as early as possible. That is why we expect that both sides will continue to contact each other for necessary follow ups.



INTELLIGENCE AGENCY INVESTIGATES SOVIET COMPOUND

HK131345 Manila THE MANILA CHRONICLE in English 13 Mar 87 pp 1, 6

[By Cristina Pastor]

[Text] The national Intelligence Coordinating Agency (NICA) has requested the Department of Foreign Affairs (DFA) for a "thorough and in-depth security investigation" of the Soviet Union-owned building being built at Narra place, Forbes Park, Makati.

In a series of letters to Defense Secretary Rafael Ileto and Vice President and Foreign secretary Salvador Laurel, NICA chief, retired Brig Luis Villareal wanted to know if the 4,223-square-meter property when acquired in 1984 was covered by "any bilateral agreements" between the Philippines and the Soviet Union.

"The NICA is very much interested in securing copies of whatever bilateral agreements entered into between the two governments and other pertinent documents in your keeping which could put everything in clear perspective," wrote Villareal to Laurel last Feb 4.

In another letter dated March 9 to Laurel, Villareal enumerated so-called Soviet violations of construction regulations in Forbes. They are:

-- Although the construction was intended for a single family residence, additional annex houses are being erected without permits from the Makati Engineer's Office.

-- The building exceeds the 9.5 meter-limitation in height.

Villareal continued: "It is interesting to note that the construction site... is under 24-hour watch by embassy official Mr. Zeref, deputy trade representative Mr. Gennadiy Valenchits, and engineer Vyacheslav Moskvine... Filipino security guards are under orders to 'list down the plate numbers of all vehicles entering Narra Place'."

He said the Makati engineer's office has not inspected the construction for fear that it might violate diplomatic procedures. Villareal added that the Forbes Park Association would file an official complaint with the DFA regarding the ongoing construction of the Soviet building.

In a visit to Narra Place, the reporters were shown by the building's engineer Benjamin Faustino all the necessary building permits. He defended the two-cluster property as exclusively for the family of trade representative Vladimir Zverev, his family and their servants.

One cluster, he said, housed the main residence and a big function room, while the other was for the servants' quarters. The Russians, Faustino said, are a "socialist people" who believe in providing decent rooms for their househelp.

The P6,410,690-million residence with building permit number CO 586-8644, according to Faustino, was exempt from any kind of tax because it was covered by diplomatic privilege. [paragraph continues]



Some 110 carpenters, plumbers, electricians work 24 hours to complete the structure by June this year.

Civil Engineer Moskvine denied allegations by the NICA. He said the village association had no complaints against the construction. However, Moskvine refused to tour the reporters around the half-finished building.

'FURTIVE CAMPAIGN' PROMOTES 'SOVIET THREAT'

HK161245 Manila THE PHILIPPINE DAILY INQUIRER in English 16 Mar 87 p 4

[Editorial: "Playing on Old Fears"]

[Text] Item No 1: Soviet "spy ships", disguised as fishing trawlers, are cruising Philippine territorial waters.

Item No 2: Soviets are building several structures in Forbes Park that overlook Fort Bonifacio, the biggest military base in Metro Manila and headquarters of the Philippine Army and other key commands.

Item No 3: Several Soviet nationals are spotted "somewhere" in Mindanao reportedly training communist guerrillas there.

Item No 4: A supposedly captured New People's Army kumander [commander] allegedly confesses to military officers that the insurgent movement has been getting assistance in the form of money and arms from "an Eastern Bloc nation."

Item No 5: Farther afield but still relevant to the nation's security, spokesmen of a rival superpower insists that the Kremlin has gained access to a major base in Vietnam, just several hundred kilometers across the South China Sea from the Philippines, and is feverishly building up its offensive capability in the Asia-Pacific region.

Steadily the story unfolds. Almost daily, Filipinos are being fed with reports which if taken as a whole world would seem [preceding word published in italics] to show that -- indeed! -- the Russians are coming. The fact is that most of these reports are unverified. Sad to say, many media organizations have done a disservice to the nation by not emphasizing this important point. In the days to come, we wouldn't be surprised if some unnamed "source" again comes out saying that Soviet paratroopers have landed in Central Luzon with crates of Automat Kalashnikovs, B-40 rocket-launchers and perhaps several tins of buluga caviar to beef up the rebels' arory and give them a taste of exotic Russian cuisine as a bonus. The reports that try to hint loudly of Soviet intervention in Philippine affairs would be hilarious if not for the apparent seriousness of those individuals and groups who are trying to peddle this Cold War line. Again, somebody is trying to condition the mind of the Filipino people for some fiendish purpose.

Two objectives are immediately obvious from this furtive campaign.

First, someone is doing his damndest to link the communist-led insurgent movement to a foreign power in the hope of undermining the rebels' oft-stated stance of nationalism. [paragraph continues]

That stance is in fact one of the major factors why this rebellion (which even authoritative foreign analysts -- and that includes United States officials -- have described as "homegrown") has managed to attract so many followers and sympathizers. We feel, however, that unless the rebels' adversaries are able to present clear, concrete and conclusive evidence that the rebel underground is bankrolled and gets its orders from a foreign power, the insurgent movement's fiercely nationalist image will stand the test of intrigue.

But the more serious aspect of this "information drive" is its obvious attempt to exaggerate the Soviet threat to Philippine security. It tries to play on the fears of the gullible, the paranoid, and those who have little faith in the Filipino people's (and not just the government's) ability to assert their independence. The real aim is to convince a sufficient number of Filipinos on [of] the "need" to keep foreign military bases in the country as a foil to the alleged expansionist designs of Moscow.

Next year, a review of the RP [Republic of the Philippines] U.S. Military Bases Agreement will start; and one side is obviously hoping that the fear it has generated will serve it well in the negotiations to come. That's an ancient bargaining trick, actually. But always there are suckers who will fall for it every time. And someone is trying to make a sucker out of this nation.

#### JAPANESE EMBASSY DENIES SUSPENDING ASSISTANCE

OW161229 Tokyo KYODO in English 1224 GMT 16 Mar 87

[Text] Manila, March 16 KYODO -- The Japanese Embassy here Monday denied rumors that Japan has frozen its economic assistance to the Philippines because of the unsolved Wakaoji kidnapping case.

The embassy distributed a press release to local newspapers refuting rumors that Japanese assistance to the Philippines has been suspended or delayed because of the Wakaoji case. Rumors were afoot that Japan had suspended its economic assistance to the Philippines because the months-old Wakaoji case has not been settled.

Nobuyuki Wakaoji, 53, former general manager of the Manila branch of Mitsui and Co., was kidnapped at gun point last November on his way home from a golf club near Manila. He is still missing.

According to the embassy press release, 10 Japanese economic assistance investigation teams have arrived in the Philippines and five more are expected during the next several weeks. The press released emphasized that Japanese would make every effort to cooperate with the Philippines' economic reconstruction.

#### 2 SUSPECTED JAPANESE YAKUZA MEMBERS ARRESTED

HK170903 Hong Kong APF in English 0859 GMT 17 Mar 87

[Text] Manila, March 17 (AFP) -- Philippine authorities have arrested two Japanese men suspected of being members of the Yakuza, Japan's underworld, a Coast Guard spokesman said here Tuesday.

Fumijazu Tsutsumi and Hiroshima Nakamura were arrested Monday aboard a fishing boat off the northern Philippine town of Currimaos when it was boarded by a Navy patrol for a routine inspection, Coastguard spokesmen said.

The two said they had been hired by the boat owners as technicians, but National Bureau of Investigation records showed them to be Manila-based members of the Yakuza, the spokesman said.

Mr. Tsutsumi and Mr. Nakamura are currently in the custody of immigration authorities, the spokesman added.

Japanese Embassy officials could not be reached for comment.

Japanese police suspect Manila is a major source of handguns for the Yakuza.

#### AQUINO TO DECIDE DATE OF ARROYO'S RESIGNATION

HK130241 Manila Far East Broadcasting Company in English 2300 GMT 12 Mar 87

[Text] President Aquino has announced that she will decide when she can best dispense with the services of Executive Secretary Joker Arroyo. The president was [words indistinct] the week of speculation about Arroyo's resignation and the appointment of a chief of staff to take over some of [words indistinct]. The president said that last February (716) Secretary Arroyo expressed his desire to leave government service effective February 25, 1987. She added that she asked Arroyo to reconsider his decision but he said he wanted to return to private practice. The president disclosed that she had invited Health Secretary Alfredo Bengson, Natural Resources Secretary Fulgencio Factoran Jr, Special Counsel Teodoro Locsin, and Deputy Cabinet Secretary Florida Rose Romero to join Secretary Arroyo [words indistinct] how the transition would take place.

#### AQUINO FACES RESIGNATIONS ONCE ARROYO LEAVES

HK150800 Quezon City ANG PAHAYAGANG MALAYA in English 15 Mar 87 pp 1, 8

[By Joel Paredes]

[Text] President Aquino is facing mass resignations of her immediate staff, particularly her legal advisers, once executive Secretary Joker Arroyo moves out of the Palace.

MALAYA gathered yesterday that key staffers in the executive secretary's office were quitting and some officials and employees who were deployed to Malacanang from other government agencies were preparing to return to their mother units.

At least two top legal advisers -- Assistant Executive Secretary Mariano Sarmiento and legal chief Magdangal Elma -- were also reported planning to resign.



Sarmiento would neither confirm nor deny that they were resigning, but he said he wanted "clarification" on Arroyo's resignation.

It could not be immediately determined if the planned mass resignation in Malacanang was a sign of protest, although it was gathered that most of the President's legal and technical staff belong to the nationalist bloc identified with Arroyo.

MALAYA earlier gathered that a well-entrenched rightist group in the Cabinet wanted the Arroyo group out of the Palace.

The group, identified in Palace circles as the "Council of Trent" wanted to ease out the nationalist bloc so it could tailor the economic thrusts of the Aquino government to suit US interests.

At least seven government economic managers, five of them Cabinet members, were pressing for the adoption of an old "Marcos-style" economic program which relies on continued dependency on foreign lenders, particularly the World Bank and International Monetary Fund.

The President had accepted Arroyo's resignation, although she said her executive secretary could leave only after she could dispense with his services.

Arroyo had blamed the "Council of Trent" for forcing him to resign.

MALAYA gathered that the group trying to consolidate its influence on the Aquino government is made up of Finance Secretary Jaime Ongpin, Economic Planning Secretary Solita Monsod, Central Bank Gov Jose Fernandez, Trade and Industry Secretary Jose Concepcion Jr., Labor Secretary Franklin Drilon, Social Security System Administrator Jose Culsia and Development Bank of the Philippines president Jesus Estanislao.

MALAYA sources said the "Council of Trent" is moving for the appointment of Health Secretary A Fredo Bengzon as Arroyo's successor.

Bengzon denied that he was taking over as executive secretary.

Arroyo said he would welcome any replacement whom the President would appoint.

He said the position of executive secretary "could only be as powerful as the one who is holding it."

The left-wing Partido ng Bayan said yesterday the US has a hand in the resignation of Arroyo.

"We can attribute Arroyo's resignation to the continued pressure being exerted by the US on the Aquino government," PNB Chairman Fidel Agcaolli said.

Agcaolli said "the Aquino government succumbed to the wishes of the US with the removal of Augusto Sanchez from the labor ministry and Aquilino Pimentel Jr. from the local governments.

"Clearly, US intervention in Philippine political affairs is intensifying. [paragraph continues]

This is evidenced by the government's efforts to set up anti-communist vigilante groups like the Nakasaka as well as its moves to implement the Alsa Masa concept nationwide," Agcaoili said.

The formation of these groups had been endorsed by Local Governments Secretary Jaime Ferrer and the President.

Agcaoili noted that the resignation of Arroyo, tagged as the "little President," was timed after the visit to the country of Gaston Sigur, chief of the Asia-Pacific division of the US State Department.

#### ARROYO CRITICIZES FINANCE SECRETARY ONGPIN

HK161231 Manila MANILA BULLETIN in English 16 Mar 87 pp 1, 16

[By Olaf S. Giron]

[Text] Executive Secretary Joker Arroyo accused Finance Secretary Jaime Ongpin yesterday of imposing new taxes without consulting the people, and of agreeing to conditions set by the International Monetary Fund (IMF) and the World Bank (WB) even when he should resist these impositions.

Arroyo said "Marcos and Virate taxed people at will without consulting them because we had a dictatorship then. The Aquino government is not a dictatorship."

He added that the "Department of Finance has this propensity of batting for IMF-WB conditions even if they treat the Aquino government as if it were the Marcos government."

Secretary Ongpin, he said, should not use the other departments of the government, the Office of the President included, as an excuse for his "failure to meet his revenue target."

Arroyo's tirades against Ongpin come in the wake of the finance secretary's complaints that red tape in the Office of the President was delaying finance department papers approved by President Aquino.

During the presidential campaign, Arroyo said, Ongpin advocated a more intensified tax collection -- not the imposition of new taxes. But when he assumed office, finance people opted for raising or imposing new taxes - a Marcos Virata practice, he added.

The executive secretary lectured to Ongpin that a basic [principle] in democracy is that the government cannot tax people without consulting them.

He said a policy question arose when finance officials kept on proposing new tax measures without the benefit of consulting the people or business who would be affected by the development.

"Why finance finds it so painful to conduct hearings before new taxes are imposed is incomprehensible. We are no longer a dictatorship," Arroyo said.

He indicated that the reorganization of the Department of Finance cannot be completed because of Ongpin's insistence that the Social Security System (SSS), the Government Service Insurance System (GSIS), the Philippine National Bank (PNB), the Development Bank of the Philippines (DBP), and the Land Bank should be attached to his department.

Arroyo pointed out that these independent government financial institutions have their respective charters, and are "strenuously" opposing the idea.

"The delay is thereby caused by the deadlock -- not by inaction on the part of the Office of the President," the secretary said.

Another deadlock took place in the Government Corporate Monitoring and coordinating Committee which is chaired by the finance secretary and reportedly wants to monitor and review the operations of all government-owned or controlled corporations.

Arroyo agreed that the concept was good because it will save the government money, but he said it has been opposed by the secretaries of trade and industry, transportation and communications, national defense, local government, and agriculture and food.

Likewise the Philippine Coconut Authority, the Sugar Regulatory Administration, and the National Power Corp. rejected the plan.

Arroyo disclosed that for the next seven years, the government will be paying its creditors \$14 billion, while the country might be getting in projected loans \$7 billion, thereby having a "negative transfer of \$7 billion."

When the source of funds could not be identified for the land reform program, Ongpin's solution was to borrow \$500 million (P10 billion) for the purpose, Arroyo said.

But the President herself decided "in one fell stroke" to use the proceeds of the sale of non-performing assets instead, which would amount to P23.8 billion, Arroyo added.

He said those who have the vigilance to oppose Ongpin's concepts are pictured as incompetents and administrative misfits, such as the executive staff of the office of the President. "The people have the right to know who is competent and who is incompetent," Arroyo said.

Ongpin had complained that "important implementing issuances" had been delayed by as many as 149 days at the office of the President even after the President had approved them.

He deplored that this delay was one of the major problems confronting his job as finance minister. The complaint is embodied in a five-page report to the President citing the finance department accomplishments from March 1, 1986 to February 28, 1987.

Among his other complaints was the "indiscreet, inappropriate, unauthorized or premature public statements" from other Cabinet ministers about his policy stand on certain matters.

The finance secretary was obviously referring to criticisms by Economic Planning Secretary Solita Monsod of his position during his talks with foreign creditors.



Another complainant about delayed papers at the Office of the President was Vice President Salvador H. Laurel who twitted Assistant Executive Secretary Mariano Sarmiento Jr. for delaying the release of an executive order defining the functions of the Presidential Blue Ribbon Commission.

The probe body was stymied with the non-issuance of the draft EO [executive order] which was necessary to start investigation of the unpaid P140 billion "behest" loans from government financial firms by Marcos cronies.

Laurel said the President and the Cabinet had approved the executive order and Sarmiento, he said, cannot be higher than the President and the Cabinet ministers.

#### SECRETARY FERRER PROPOSES RETENTION OF NAKASAKA

HK171019 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 17 Mar 87

[Text] Local Governments Secretary Jaime Ferrer proposed the retention of the Nakasaka [Nagkahiusang Katawhan Alang sa Kalinaw -- People United for Peace] movement in Mindanao during the cabinet meeting. For more details, here is Joy Montero.

[Begin recording] Secretary Ferrer explained that the Nakasaka was an anticommunist group whose members are unarmed civilians who joined the movement voluntarily. Earlier, President Aquino had ordered the abolition of the Civilian Home Defense Force and other civilian vigilante groups, including the Nakasaka.

Ferrer added that (?even foreigners were impressed] with the Nakasaka movement. He said that an official of the U.S. National Security Council met with him yesterday to discuss the activities of the Nakasaka movement.

This is Joy Montero reporting. [end recording]

#### NDF LEADER CAROLINA OCAMPO INTERVIEWED

HK132323 Manila MANILA BULLETIN in English 13 Mar 87 pp 1, 9

[Text] The National Democratic Front (NDF), in a bid to gain full belligerency status, will set up a "national provisional revolutionary government" this year, an NDF official told a Japanese news agency Wednesday.

NDF chief of staff Carolina Malay Ocampo said in an interview with KYODO NEWS SERVICE that provisional rebel governments will first be formed in Luzon and Visayas before the national body is established.

A similar government was declared by the NDF in Mindanao last month during a press conference inside a New People's Army (NPA) guerrilla base.

During the interview, a transcript of which was obtained by the BULLETIN, Ms. Ocampo:

1. Announced that the NDF as an underground organization will not participate in the May 11 congressional elections.
2. Blunted the initiative of the government in pushing for regional peace talks, saying that this is a "divide-and-rule tactic."
3. Confirmed the presence of NPA armed city partisans in Metro Manila.

Ms. Ocampo said that the NDF leadership decided to form the alternative governments in the first quarter of last year before talks with the government on a ceasefire and political settlement of the insurgency problem began.

"We have never concentrated on just one option," she said. "You have to develop several options at a time and your ... choice is that one where you exercise the most initiative."

"While preparing for the provisional revolutionary governments, we are open to other options," Ms. Ocampo said, stressing that the NDF adheres to armed and parliamentary struggles with relative emphasis, "not absolute shift."

Talks between the NDF and the government bogged down late January. Government negotiators insisted that a political settlement should be discussed within the framework of the new Constitution.

The NDF has proposed that a coalition government be set up as a "logical consequence" of an agreement toward the solution of what it perceives as the people's fundamental problems.

"We cannot wait for the Aquino government to make up its mind to be a part of that historical process," Ms. Ocampo told KYODO NEWS SERVICE. "We would be asking for recognition of other countries and governments that could lead to the status of belligerency."

"It could mean the existence of two, dual governments," she added.

Ms. Ocampo said the NDF, being an underground organization, is not going to participate in the May 11 congressional elections or support any candidates.

"We have nothing against elections," she said. "We think it is a valid expression of the people's will. But this (coming) election is controlled by traditional politicians and big interest."

She said that the polls "will be held under the auspices of a government that represents the traditional ruling interest" and aimed at "consolidating the political rule" of this interest.

"Majority of the people is still not fully aware of the issues that should be the subject of an election. That robs the election process of its meaning and significance," Ms. Ocampo said.

The NDF leader claimed that the Congress that would be constituted "would not be a Congress that will scrap the U.S. bases, not legislate the genuine land reform program."

Ms. Ocampo also confirmed that NPA armed city partisans or "Sparrow" units are operating in Metro Manila. "Sparrow operations are part of their military functions," she said.

She, however, said she did not know if they were involved in the ambush-slaying of Lt Col Benjamin Casabar and his aide at a busy intersection in Quezon City last week.

NDF ASSAILED FOR REVOLUTIONARY GOVERNMENT PLAN

HK140902 Manila THE MANILA TIMES in English 14 Mar 87 pp 1, 6

[Text] Government peace negotiator Teofisto Guingona assailed yesterday the plan of the National Democratic Front (NDF) to establish a revolutionary government through its regional councils, saying "it is a deterrent to the peace effort."

Quoting the report of an international news agency which reported the other day the setting up of a revolutionary government, Guingona said the NDF will have to explain and clarify the issue if it were for the resumption of the peace talk.

"Such an announcement is a barrier to the supposed desire of the New People's Army [NPA] and the Communist Party of the Philippines [CPP] to return to the negotiating table," he stressed.

Guingona said the establishment of a revolutionary government by the rebels may be inconsistent with and contrary to the desire of the majority of the Filipinos who, according to him, had expressed their overwhelming support to the present administration during the February 2 plebiscite.

He explained while the NDF claims that it works for and respects the people, yet it does not seem to follow the true mandate of the majority as embodied in the ratified new Constitution.

Guingona said the revolutionary government of the rebels may not likely succeed because the people now have learned to defy the NDF as in the case of illegal exactions being made in the countryside.

He added that not all the members of the CPP-NPA are hardline Marxists but merely social reformers or victims of injustices of the past administration.

Guingona also told newsmen in a press conference with renegade priest Conrado Balweg, Cordillera People's Liberation Army chief, that the government would pursue its peace efforts on the regional level.

Meanwhile, Balweg said the places where his armed groups operate are peaceful and there is no need for the government to field additional military units in the areas to maintain peace and order during the legislative elections on May 11.



**MARCOS LOYALISTS PROCLAIM SENATE CANDIDATES**

HK161311 Manila THE MANILA CHRONICLE in English 16 Mar 87 pp 1, 3

[Text] Marcos loyalists yesterday proclaimed their own senatorial candidates, warning that under the Aquino Government the economy is facing collapse and that the nation is in grave danger of being overrun by the communists.

Proclaimed as candidates under the Union for Peace and Progress -- Kilusang Bagong Lipunan (UPP-KBL) were Rafael Recto, Vicente Millora, Salvador Britanico, Salvador Pabelo, Prescilla Mathay, Rommel Corro, Nilo Tayag, Geronimo Quadra, Leonardo Perez, Concordia Diel, Edilberto del Valle, Pacifico Lopez de Leon, Nicanor Yniguez and Joaquin Venus.

Eight candidates also endorsed by the UPP-KBL but are running under the Grand Alliance for Democracy (GAD) were proclaimed Saturday night during GAD's own kickoff rally at Plaza Miranda.

They are Arturo Tolentino, Wenceslao Lagumbay, Alejandro Elmendras, Vicente Magsaysay, Jeremias Montemayor, Fernando Veloso and Lorenzo Teves.

During their proclamation rally at Liwasang Bonifacio, the UPP-KBL candidates took turns in lambasting the Aquino Government on the issues of graft and corruption, communism and a faltering economy.

The rally was attended by about 1,000 people who continued chanting pro-Marcos slogans.

Calling itself the "true opposition party," because it did not participate in the Edsa [Epifanio de los Santos Avenue] revolution and in the drafting of the 1986 Constitution, the UPP-KBL said it will fight for genuine reform in Congress.

The UPP-KBL also announced a 13-point platform that covers, among other things, ideology, politics and Government, civil service, agrarian reform, peace and security, armed forces reform, economic recovery, and foreign relations.

**ENRILE SAYS FAIR ELECTIONS WILL SOLVE INSURGENCY**

OW131105 Tokyo KYODO in English 1052 GMT 13 Mar 87

[Text] Manila, March 13 KYODO -- Fair congressional elections will solve the Philippine's 18-year-old insurgency problem, former Defense Minister Juan Ponce Enrile said Friday.

"If there is any good antidote to the problem of insurgency, it is a good, honest, and clear election," said the senatorial aspirant.

Enrile was sacked by President Corazon Aquino in last November after military officers close to him were linked to a planned coup attempt.

He has not been directly linked to the plot and has denied any involvement in it. Enrile is one of 24 candidates from the opposition Grand Alliance for Democracy on the ballot in the congressional election scheduled for May. Enrile said fair and clean elections will make the people "totally support" the presidential system.

"If we cannot attain that, (fair elections) then you give currency to the argument of the other side (insurgents) that this system is rotten... (that) it would not work," he said.

Enrile said he expects the underground movement of the left to "campaign against people they perceive to be against them." "One such person is named Enrile," he said.

Enrile said he shares the left's "basis of assessment and analysis" regarding problems such as poverty and injustice but his "disagreement" with them concerns their "suggested methodology and solutions."

#### ARMY, COMELEC DISCUSS SECURITY FOR 11 MAY POLL

HK131401 Queson City ANG PAHAYAGANG MALAYA in English 13 Mar 87 pp 1, 7

[Text] The Commission on Elections [Comelec] yesterday pinpointed at least 12 "trouble spots" where the peace and order situation may pose problems in the conduct of the May 11 legislative polls.

The list of critical areas, mostly in Mindanao, was drawn up after Comelec officials met with the top brass of the Armed Forces in Camp Aguinaldo.

Comelec Commissioner Haydee Yorac identifies the "trouble spots" as Lanao del Norte and Lanao del Sur, Sulu, Tawi-tawi, Sultan Kudarat, Maguindanao, North Cotabato, Ilocos Norte and Ilocos Sur, Danao City, Cagayan and Kalinga-Apayao.

Comelec Chairman Ramon H. Felipe Jr. said his office will authorize each senatorial or congressional candidate to have a member of the AFP [Armed Forces of the Philippines] as his security during the election period.

Felipe said 80 percent of the 50,000-strong AFP and 30 percent of the Philippine Constabulary will be placed at the disposal of the Comelec to secure the estimated 100,000 polling precincts nationwide.

The Comelec will also field 15,000 cadets of the Citizens Military Training Corps in polling precincts in urban areas.

Felipe said soldiers will be in the rural or interior areas, where the job of securing polling places is expected to be more dangerous.

During the meeting, military officials led by Gen Fidel V. Ramos, Armed Forces chief of staff, expressed satisfaction with the executive order drafted by Comelec allowing the military and other government personnel assigned on election day in areas outside their places of residence to vote for candidates for senator in the precincts nearest them.

The AFP also committed to the Comelec the use of its transport facilities, including military helicopters and boats, in delivering official ballots and other election supplies to the precincts in far-flung islands.

Lakas ng Bayan [people's strength], which fielded candidates in the 1978 Interim Batasang Pambansa elections, opposed the petition for registration of the Lakas ng Bansa [people's power], the umbrella organization for pro-Aquino political parties.

Laban counsel and senatorial aspirant Juan T. David told Comelec during a hearing that the use of the word "Lakas [strength or power]" in the name of the administration coalition will confuse the electorate.

#### MILITARY UNCOVERS COUP PLOT, PLACED ON RED ALERT

HK150742 Manila THE SUNDAY TIMES in English 15 Mar 87 pp 1, 6

[Text] Military officials discovered the other night a plot allegedly hatched by an undetermined number of enlisted men to stage a coup d'etat early yesterday morning.

Camp Aguinaldo sources said the report prompted Gen Fidel Ramos, Armed Forces chief of staff, to order the major service commanders to place their men on "red alert" status.

The sources said Ramos based his action on reports received by Brig Gen. Antonio Samonte, Armed Forces deputy chief for intelligence, that "remnants" of the failed coup attempt of last January 27, will again try to topple the Aquino government.

After receiving Samonte's report, the sources said, Ramos told the four service commanders that "a group led by EP (enlisted personnel) will conduct on 140200 (2 a.m. of last March 14) activities similar to what happened (between last January 27 to 29)."

Ramos ordered the service commanders to take all necessary action to stop the enlisted men from carrying out their plot.

Last January 27, "misguided elements" within the military simultaneously attacked Villamor Air Base, Sangley Air Station in Cavite and the GMA 7 broadcast complex, in an apparent coup attempt against the Aquino government.

The coup attempt collapsed because it failed to draw support from other soldiers.

The sources said Samonte based his report to Ramos on findings of intelligence agents that some soldiers have been holding "suspicious meetings" in the past few days.

But Col Honesto Isleta, Armed Forces spokesman, cast doubt on the accuracy of Samonte's report. Isleta said the meetings were held by members of fraternal organizations within the military that Ramos has order disbanded, on the ground that they pose a threat to unity within the military.



Isleta said the meetings were intended only to find ways through which the fraternal organizations could continue to exist within the military.

Ramos has given the fraternal organizations a chance to "reorient" themselves, to enable them to be allowed to exist within the military.

The sources said Samonte discovered plans of the coup plotters to attack such important installations as power, water and communications facilities, besides the military camps.

The sources said military commanders in Metro Manila, Central Luzon and Southern Tagalog immediately placed their men on combat status, upon receiving the order of Ramos.

The red alert, they said start on Friday night, but had been lowered to "blue," as of 3 p.m. yesterday.

But Ramos said troops must still adopt measures to secure military camps and vital installations.

Samonte, the sources said, issued a separate order to all his senior intelligence officers to closely watch all movements of the soldiers suspected to be behind the new coup plot.

In a related development, 30 soldiers involved in the Sangley mutiny were granted a ten-day extension to file their counteraffidavits by a pre-trial investigating panel.

Officials did not say why the rebel soldiers asked for an extension. The extension is up to March 19.

#### 35 NEGROS PRIESTS SWEAR ALLEGIANCE TO CPP-NPA

HK140909 Manila THE MANILA TIMES in English 14 Mar 87 pp 1, 6

[By Joel Gaborni]

[Excerpts] The military disclosed yesterday that 35 priests from Negros island had taken their oath of allegiance to the Communist Party of the Philippines (CPP) and the New People's Army (NPA).

Military officials, who refused to be identified, claimed that the communist infiltration of the religious sector in Negros is only "the tip of the iceberg."

The official based their disclosure on the information supplied by one Fr. Perfecto Palma, one of the seven Negros is only "the tip of the iceberg."

The officials based their disclosure on the information supplied by one Fr. Perfecto Palma, one of the seven Negros priests who are staunch "anti-communists."

Palma claimed that the priests took their oath of allegiance to the CPP and the NPA before a certain Ka Ads, the then deputy secretary for organization of the CPP's sub-regional party committee in Negros, the officials said.

The officials also said two more high-ranking clergymen recently joined the CPP in Negros, but they refused to identify them. They said, however, that the two serve as the local CPP's "think tank." [passage omitted]

The officials said the infiltration of the religious sector in Negros served merely as a "pilot project" of the CPP's expansion program in other areas using priests as organizers.

It will be recalled that last March 11, troops raided a Roman Catholic Rectory in Pilar, Capiz suspected of being a rebel hideout.

The rectory, which was near the site of an earlier encounter between NPA and government troops, yielded a hand grenade, several Armalite cartridges, knives, subversive documents and list of probable assassination targets.

#### 12 KILLED IN 'ESCALATING' INSURGENCY VIOLENCE

HK150202 Manila Far East Broadcasting Company in English 0130 GMT 15 Mar 87

[Text] At least 12 people were killed in the country's escalating communist insurgency yesterday, as thousands of people listened to candidates of the right, left, and center campaigning for votes in the May 11 congressional elections. Military officials said five soldiers and three civilians were killed when NPA guerrillas ambushed a truck carrying troops on their way to support a military engineering unit in Misamis Oriental Province on Mindanao. Officials said that the soldiers managed to fight back and inflicted an unknown number of casualties on the rebels. The rebels fled.

In Bulacan Province, just outside Manila, soldiers shot dead a number of insurgents as they allegedly tried to escape after overpowering two officers during an investigation. The shooting inside a constabulary camp occurred about an hour before President Corason Aquino visited a local town to campaign for an election candidate.

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